



The Gateshead Housing Company Resources and Audit Committee

Thursday 10 May 2012 at 10.30am
Board Room 1, 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>ITEMS FOR DECISION</u>
3.	Minutes (Pages 3-10) To approve as a correct record the minutes of the meeting of the committee held on 15 February 2012
4.	Matters Arising
5.	Operational Risk Register – Customers and Communities (Pages 11-34) Report of Director of Corporate Services
6.	Internal Audit Plan 2012/13 (Pages 35-37) Report of Chief Internal Auditor, Gateshead Council
	<u>ITEMS FOR INFORMATION</u>
7.	Management Accounts – Final Quarter 2011/12 (Pages 38-53) Report of Director of Corporate Services

Item	Business
8.	Sickness Absence and Human Resources Update (Pages 54-70) Report of Director of Corporate Services
9.	The Sunday Times Best Companies Accreditation – Update (Pages 71-75) Report of Director of Corporate Services
10.	Health and Safety Update (Pages 76-81) Report of Director of Corporate Services
11.	Equality and Diversity Update (Pages 82-86) Report of Director of Corporate Services
12.	2011/12 Internal Audit Update – Progress Report (Pages 87-89) Report of Chief Internal Auditor, Gateshead Council
13.	Forward Plan (Pages 90-92) Report of Director of Corporate Services
14.	Items for Future Agendas
15.	Exclusion of the Press and Public The committee may wish to consider excluding the press and public from the meeting during consideration of the remaining items in accordance with categories 1 and 4 of the company's Access to Information Rules.



RESOURCES AND AUDIT COMMITTEE

15 February 2012

PRESENT:

Directors

John Hamilton (Chair)
George Clark
Stan Dawson
Peter Mole
Joachim Mouanda Moussounda

Advisers

Jon Mallen-Beadle	Director of Corporate Services
Neil Bouch	Director of Customers and Communities
Sarah Thompson	Head of Finance
Phil Gallagher	Head of Support Services
Jim Farquhar	Chief Auditor, Gateshead Council
Gareth Edmunds	Audit Manager, Gateshead Council
Deborah McNally	Principal Auditor, Gateshead Council
Mick Thompson	KPMG
Alex Keelty	KPMG
Stuart Gibson	Company Administrator

Apologies

Richard Armitage

60 DECLARATIONS OF INTEREST

There were no declarations of interest.

61 RISK MANAGEMENT

The committee received a presentation from the Council's Internal Audit Service on risk management and the role of this committee.

RESOLVED – That the information be noted.

62 MINUTES

The minutes of the meeting of the committee held on 27 October 2011 were approved as a correct record.

63 OPERATIONAL RISK REGISTER – CORPORATE SERVICES

The Operational Risk Register for the Corporate Services Directorate has been reviewed and an updated Register was submitted.

Following agreement at the last meeting on 27 October 2011, all the green risks have been removed from the register and these will be monitored internally. Should the score increase for any of these risks in the future, they would go back on the register and be reported to committee.

A number of future actions have been implemented and these are now identified as controls within the register. In addition, some new further actions have been identified for some of the risks.

A new section for Involvement risks has been created and the following risk identified: -

- Tenant and leaseholder involvement may not be sufficient to enable us to meet our co-regulation requirements which could lead to the Tenant Services Authority undertaking a review of compliance with the consumer standards.

The following new risk has been identified within the Leasehold risks: -

- Managing other tenures such as Shared Ownership properties and Rent to Buy Properties could lead to reduced income for the Housing Company and could lead to an number of tenancy issues if tenancy agreements and lease agreements are not set up appropriately.

The following risk has been deleted: -

- HS6: Failure to review the Health and Safety Policy and associated policies to reflect changes in legislation, regulation and safety alerts from the HSE – Deleted as it is embedded and no longer deemed a risk.

In addition, all New Build risks have been deleted as there are currently no TGHC New Build projects.

RESOLVED – That the updated Operational Risk Register for the Corporate Services Directorates within the company be approved.

64 EXTERNAL AUDIT STRATEGY AND PLANNING MEMORANDUM

The committee received the external audit strategy and planning memorandum for the financial year ended 31 March 2012 which has been produced by KPMG, the company's external auditors.

RESOLVED – That the external audit strategy and planning memorandum be approved.

65 TGHC PREVENTION OF BRIBERY POLICY

The Bribery Act 2010 modernises the law on bribery and came into force on 1 July 2011. Bribery is defined as giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward a person for having already done so.

The company is committed to the highest standards of ethical and integrity in its business activities. A Prevention of Bribery Policy was submitted which will compliment the existing Fraud and Corruption Policy, Codes of Conduct for Directors/Employees and Whistleblowing Policy, as well as the Disciplinary Procedure.

The trade unions have not been consulted and will be consulted if the Policy is approved.

A Team Brief for employees has also been produced and this will be delivered to all employees following approval of the TGHC Policy.

RESOLVED – That the Board be recommended to approve the TGHC Prevention of Bribery Policy, subject to consultation with the trade unions.

66 REDUNDANCY POLICY UPDATE

In January 2004, the company adopted an Employee Handbook of policies and procedures that included the Redundancy Policy. This was subsequently updated in September 2009 to reflect changes in Gateshead Council's Policy and to ensure that the approach towards redundancy mirrored that of Gateshead Council, particularly as many of the employees had initially TUPE transferred when the company was established.

The Council has recently reviewed their redundancy policy with the amounts payable under redundancy being revised to a multiplier of 1.5 times given under statutory redundancy payments. Previously it was 2 times the statutory amount. In addition, a cap has been placed on the maximum number of weeks payable reducing from 60 to a maximum of 45 weeks.

The company remains committed to maintaining job security for all its employees where possible. Where changes require a reduction in the workforce, the company will consider other options before the use of redundancy.

In this event the company will look at various considerations as appropriate: -

- Natural wastage
- Reducing employment of casual staff and staff employed via agencies
- Seeking volunteers for early retirement and/or voluntary redundancy
- Redeployment and, if possible, retraining, to other parts of the organisation
- (where vacancies exist)
- Wherever possible, reduction or elimination of overtime working
- Restrictions on recruitment
- Considering suggestions from employees/employee representatives

- Trying to make savings in other areas
- Managing flexible and competitive partnerships
- Procuring services more cost efficiently
- Identification of posts critical to the success of the organisation

The purpose of the Redundancy Policy is to determine how employees will be treated if it becomes necessary to make them redundant, this includes both voluntary and compulsory redundancies.

The company intends to amend the policy to continue to be consistent with the approach taken by the Council and to ensure that TGHC employees are not treated any more or less favourably than those of the Council should a redundancy situation arise. Tables showing the revised and previous figures were submitted.

The change has been agreed in consultation with the Council and with the Trade Unions and they are aware of the need for the company to mirror the approach taken by Gateshead Council.

RESOLVED - That the Board be recommended to approve the changes to the Redundancy Policy with the effect of implementing the revised policy at the end of March 2012.

67 CARETAKER SERVICE – FLEXIBLE WORKING SCHEME

The committee received a progress update on the flexible working six month pilot for the caretaker service which resulted in caretakers working 37 hours per week Monday to Friday bringing their working arrangements more in line with other company employees.

The pilot adopted the same principles of the company flexi scheme, whereby provided there is a business need, caretakers can work longer hours to accrue flexi time.

To ensure that the introduction of flexible working does not adversely affect the service received by customers in multi storey blocks, safeguards have been put in place. Each caretaker is paired with a partner from a neighbouring block. During the day either the caretaker or their partner will always be on duty and available to ensure that customers receive the same levels of service. Details of the caretaker on duty during the day are displayed on the block notice board.

The Caretaker Supervisor has played an important role in monitoring the impact on customers. During the pilot, they have carried out a total of 132 block inspections to check the cleaning standard. All 132 inspections have met the published cleaning standard.

Targets set for caretakers to carry out communal and customer repairs have also been met during the trial. Monthly inspections will continue to be carried out to monitor the quality of service delivered by caretakers, ensuring that flexi time does not adversely impact on the customer.

Consultation with employees, trade unions and customers took place prior to the flexi time pilot being introduced.

Following the introduction of the pilot, the trade unions and Multi-Storey Service improvement group have indicated that they support the proposal to adopt flexi time permanently.

RESOLVED – That the proposal to implement a flexi scheme permanently for the caretaker service from 1 March 2012 be approved.

68 MANAGEMENT ACCOUNTS – THIRD QUARTER 2011/12

The committee received an update on the management accounts for the third quarter of 2011/12 including the income and expenditure in relation to both revenue and repairs.

The accounts show an under spend to date of £182,000. This is due mainly to the overhead costs not yet falling due or where costs will not be incurred. However, the overhead budget is expected to break even at the year end.

The salary budget includes a provision in relation to a number of vacant posts. This will be used to cover an anticipated overspend in the repairs budget at the year end.

RESOLVED – That the information be noted.

69 SICKNESS ABSENCE AND HUMAN RESOURCES UPDATE

The committee received a report for the period April to December 2011 on the sickness absence levels, general human resources (HR) initiatives and developments and learning and development activity.

The total sickness absence for the period equates to 6.09 days compared to 6.39 days for the same period last year and 8.23 for the same period in 2009. This equates to a 4.69% decrease in days lost in the period compared to the same period last year and a 26% reduction compared to the same period in 2009.

Short term absence relates to periods of absence less than 15 working days in duration with long term absence greater than 15 days in duration. In the period, short term absence was 2.67 days and long term 3.42 days. This compares with 3.57 days short term absence and 2.83 days long term absence in the same period last year. This equates to a 25.2% decrease in short term absence and 17.25% increase in long term absence in the period as compared to the same period last year. The company achieved the lowest absence figure to date in December 2011 with 0.31 days lost per employee.

The biggest cause of absence in the period was stress with 479 days. This compares to 531 days lost in the same period last year. This equates to a 10% decrease in the period as compared to the same period last year.

A personal support package has been provided to employees who are absent due to stress to include home visits, counselling, cognitive behavioural therapy (CBT) and First assist 24/7 helpline for employees and their families. There are no reported cases of work related stress during the period.

Initiatives are being investigated that will help the company to better understand the causes of depression, anxiety and stress.

In October 2011 employees were asked to take part in a wellbeing questionnaire. A report on the findings will be provided to the senior management this month.

Managers are provided with monthly sickness information and guidance detailing sickness absence triggers, action required and the early intervention of human resources.

Details of how sickness has been managed during this period were reported.

The committee received an update on the following HR initiatives and developments: -

- Work Life Balance
- Investigation and disciplinary
- Grievances
- Bullying and harassment
- Whistleblowing
- Job Evaluation
- Recruitment
- Health and wellbeing initiatives
- Learning and development activity

The company has applied for Best Companies Accreditation and The Sunday Times "Best companies to work for" list. The process involved completing a comprehensive organisation questionnaire and in November 2011, employees were sent a survey to complete and return directly to Best Companies. The level of employee engagement is assessed and based on staff feedback.

The minimum return rate required in order to be assessed was 39%. The company received a 56% survey return rate meaning that it could be entered into the process having exceeded the minimum requirement.

The company has achieved Best Companies' Ones to Watch Accreditation, which is a great achievement.

- RESOLVED – (i) That the information be noted.
- (ii) That the committee place on record its congratulations to all employees on the Best Companies' Ones to Watch Accreditation and the achievement be widely publicised after it has been published in The Sunday Times.

70 HEALTH AND SAFETY UPDATE

The committee received an update on the following health and safety activities for the period April to December 2011: -

- Policy, Procedure and Safe Systems of Work
- Accidents

- Asbestos Management
- Fire Safety Management
- Legionella Control
- Cyclical Repair and Maintenance
- Overall Safety Performance Audit for Partnering Contractors

RESOLVED – That the information be noted.

71 EQUALITY AND DIVERSITY UPDATE

The committee received an update on the following key activities that have taken place over the last six months affecting equality and diversity: -

- Equality and Diversity Annual Report
- Supporting local communities
- Procurement of services – Repairs and Maintenance Retender
- Work placement programme
- Stonewall Workplace Equality Index
- Knowing our customers

Activities taking place in the next quarter include the following: -

- Implications of Human Rights – A previous report explained the principles of the Human Rights Act and noted that further information would be provided to the committee on the implications for the company as a housing provider. In the next quarter, the company will work with the Equality and Diversity Working Group to get an understanding of these implications and report back to the next meeting of the committee.
- Single Equality Scheme – The Single Equality Scheme was produced in 2008 anticipating the legislative changes that the Equality Act would bring. This scheme requires refreshing and updating, however due to the current review of the future of the company, it is proposed that an interim statement be produced on the current position and setting out equality objectives for the new financial year. This would support work in this area until a clearer picture is known.
- Employee Training – The company is currently working with an organisation called Gay Advice Darlington (GADD) to develop a pilot training session for employees on dealing effectively with lesbian, gay, bisexual and transgender customers and employees. This training is intended to help employees understand the barriers people may face accessing company services or the impact that its approach to delivering a service may have on them. It is intended that following the pilot, this training can be rolled out more widely across the business and with contractors.
- Public Sector Equality Duty – One of the specific duties relates to publishing equality objectives by April 2012. The company will detail some objectives in the interim statement it produces in the next quarter, pending the outcome of the housing options review.

RESOLVED – (i) That the information be noted.

- (ii) That the committee receive a report at its next meeting regarding the implications of the Human Rights Act following investigations with service managers.

72 2011/12 INTERNAL AUDIT UPDATE – PROGRESS REPORT

Progress made by the Internal Audit Service against the audit plan for the financial year 2011/12 was reported.

As at 6 February 2012, 12 audits have either been completed or have had a draft report issued, 10 audits are currently in progress and four audits are planned. As at the end of January 2012, 71% of the audit plan in terms of actual audit days against planned days was achieved by the Internal Audit Service.

As a result of a reorganisation within the Internal Audit Service and the implementation of a new software system progress is slightly behind the plan, both in terms of hours and reports issued. This will be addressed during the final quarter of 2011/12 to ensure the audit plan is fully achieved in year.

RESOLVED – That the information be noted.

73 FORWARD PLAN

A forward plan of reports that will be presented to meetings of this committee during the next year was submitted.

RESOLVED – That the information be noted.

74 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED – That the press and public be excluded from the meeting during consideration of the remaining business in accordance with the indicated categories of the Access to Information Rules.



Report to Resources and Audit Committee

10 May 2012

Title: Operational Risk Register – Customers and Communities

Report of: Director of Corporate Services

Purpose of Report

1. To agree an updated Operational Risk Register for the Customers and Communities Directorate.

Background

2. The Board has previously approved an updated Risk Management Policy and one of the requirements within the Policy is that this committee will scrutinise an operational risk register for a directorate at each meeting as well as any critical/high risks that require any attention. The committee will also recommend to the Board any risks to be escalated to the strategic risk register.
3. The committee agreed, at its meeting held on 27 October 2011, an updated operational risk register based around the two broad areas of the new organisation structure: -
 - Corporate Services
 - Customers and Communities.
4. The committee also agreed that given how low they were, the green risks be removed from the register and monitored internally. Should the score increase for any of these risks in the future, they would go back on the register and be reported to committee.

Operational Risks

5. Operational risks are those which are encountered during the day to day running of the company.
6. The following four scale matrix has been used for impact and likelihood: -

Likelihood

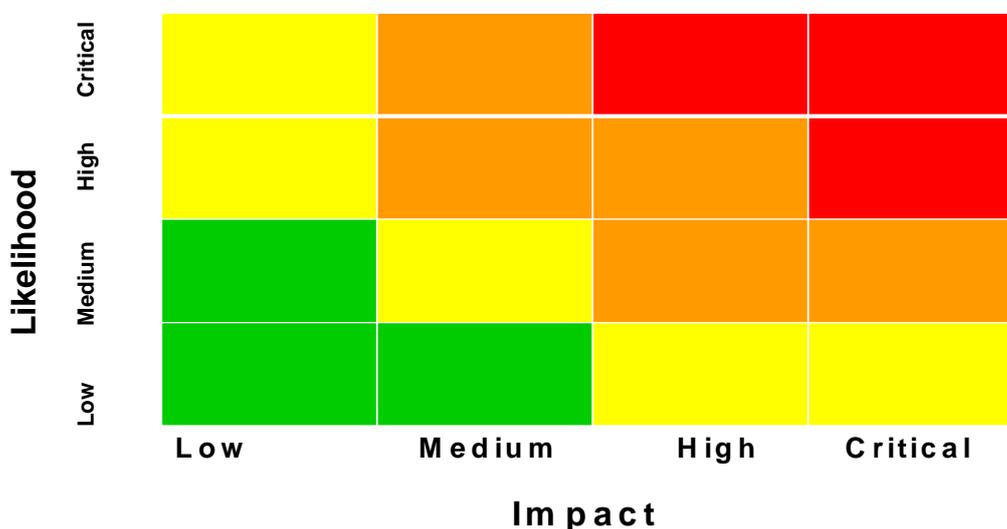
Scoring	Definition	Timing of occurrence
4	Almost certain	Less than 3 months

Scoring	Definition	Timing of occurrence
3	Likely	3 – 6 months
2	Moderate	6 – 12 months
1	Unlikely	In excess of 12 months

Impact

Scoring	Definition	Example of impact
4	Critical	Total service loss for significant period Fatality Financial loss over £200,000 Government / Council intervention
3	High	Significant service disruption Major/disabling injury Financial loss over £50,000 Adverse national media coverage
2	Medium	Service disruption Loss time injury Financial loss over £25,000 Adverse local media coverage / lots of service user complaints
1	Low	Minor service disruption / short term inconvenience Minor injury Financial loss under £25,000 Isolated service user complaints

7. The following four scale matrix demonstrates how the risks will be assessed using a traffic light system: -



Operational Risk Register

8. The Operational Risk Register for the Customers and Communities Directorate has been reviewed and an updated Register is attached at the Appendix to this report. Any changes to the register are highlighted in red.

9. A number of future actions have been implemented and these are now identified as controls within the register. In addition, some new further actions have been identified for some of the risks. These are also highlighted in red.
10. The following risk has been deleted as it can be controlled through other risks around gas servicing: -
 - Failure to comply with gas safety legislation and regulation in non-residential buildings
11. The following new risk have been identified within the Repairs risks: -
 - **Inability to manage Cyclical Maintenance** resulting in an inability to meet legislative requirements/ inadequate control of contractor outputs and quality/ asset degradation or closure / financial loss.
12. In addition, all New Build risks have been deleted as there are currently no TGHC New Build projects.

Link to Values

13. This report links to the following company values: -
 - Being a listening and learning organisation
 - Being honest, accountable and transparent
 - Being motivated, trained and committed
 - Being customer focused, innovative and professional
 - Embracing equality.

Risk Management Implications

15. The risk management implications are identified throughout this report.

Financial Implications

16. There are no financial implications directly arising from this report.

Equality and Diversity Implications

17. There are no equality and diversity implications directly arising from this report, however equality and diversity issues were considered when agreeing controls for a number of the risks.

Health Implications

18. Although there are no health implications directly arising from this report, the successful implementation of the recommendations will have a positive impact on the health and well being of Gateshead residents.

Environmental Implications

19. There are no environmental implications directly arising from this report.

Value for Money Implications

20. There are no value for money implications directly arising from this report.

Consultation carried out

21. The Risk Management Group have scrutinised the risks in detail before presenting the updated register for the Corporate Services Directorate to the committee for approval

Impact on Customers

22. An effective risk management process will maintain the delivery of services to customers.

Recommendation

23. The committee is recommended to approve the updated operational risk register for the Customers and Communities Directorate.

Customers and Communities - Boroughwide Services Operational Risk Register

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
	VOIDS						
VO1	<p>Not achieving the agreed Lettable Standard for voids (safe, secure, clean, in good condition). Or – not achieving in required timescale.</p> <p>Impact on</p> <ul style="list-style-type: none"> • Customer satisfaction • Customer safety (injury could lead to a claim) • Offer refusals / increased void rent loss / increased relet period 	<p>Safe to view procedure / Lettable Standard training / 'Check and Test' final inspection.</p> <p>Weekly operational meetings with Contractor.</p> <p>Monthly performance review meetings</p> <p>Satisfaction monitoring</p> <p>Monthly budget monitoring / monitoring level of work requests compared to notional programme for annual budget</p>	2	2	Phil Hogg	<p>Regular operational monitoring with contractor</p> <p>Joint training with new contractor MEARS on lettable standard</p>	<p>Ongoing weekly and monthly monitoring</p> <p>April/May 2012</p>
VO2	Vandalism / damage to void properties leading to additional expenditure, and damaging the	"Security matrix" showing for every street if security would be needed – and what type	2	2	Phil Hogg	Matrix reviewed annually	August 2012

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
	reputation of an estate. Risk includes damage to properties held for options appraisal or awaiting demolition	(Reviewed Aug 2011) Demolition properties: – decommissioning process, including drain down of heating system, removal of meters.					
LETTINGS							
LE1	Reduced availability of properties due to property demolition and increased numbers on Housing Register. (Including risk of not achieving timescales for tenant rehousing in clearance areas)	<p>Chandless - phase 3 (final) award was brought forward to 01/12/11.</p> <p>Clasper Village – 4 phases agreed 1st: 01/11/2011 2nd: 01/04/2012 3rd: 01/11/2012 4th 01/04/2013</p> <p>Bleach Green 1st phase 01/03/2012</p> <p>Monthly monitoring of housing register / lettings and priority ratios.</p> <p>'Best use of stock' (under-occupation incentive) to help free up properties</p> <p>Annual lettings activity report to</p>	4	2	Jackie Armstrong	<p>Complete rehousing of Chandless tenants (110 to rehouse as at 30/03/11)</p> <p>Clasper - phase 2 awarded on 01/04/12, monitor progress in advance of phase 3 award</p> <p>Bleach Green – further phases to be agreed by Council</p> <p>Monthly information supplied to council on lettings by category / property type reported to Housing Services to inform any review of ratios. Report also covers numbers / categories on Housing Register. (Monitoring of this information included on agenda of quarterly HomeChoice meeting with council.)</p> <p>2011/12 lettings activity report</p>	<p>Throughout 2012/13</p> <p>Nov 2012</p> <p>To be confirmed</p> <p>Next meeting 11/05/12</p> <p>Jun/July 2012</p>

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
		committee (summarises demand, supply, best use of stock)					
LE2	Potential loss of functionality and ability to cross reference data due to change to a sub-regional lettings scheme across Tyne and Wear , with a new (Abritas) IT system to manage lettings that is separate from our Northgate Housing IT system	As part of the sub-regional scheme development a system of daily data transfers will be implemented using NDL Metascybe software to create and update records in Northgate – and therefore maintain essential data in Northgate	2	2	Jackie Armstrong	Abritas Choice Based Lettings system implementation Development and implementation of data transfers with NDL Metascybe software	Final testing of Abritas system Mar 2012. Data Issues raised with Abritas about 3 files that form the daily feed – to be resolved before system goes live (proposed end May 2012)
LE3	Loss of / damage to furniture packages by tenants Leading to additional expenditure and efforts to recover from tenant	Recharges. Programme of Home Visits to furnished tenancies End year review	2	2	Jackie Armstrong	Annual Review of furnished Service	End year 2011/12
RENT & INCOME							
RI1	Reduction in customers' Housing Benefit entitlement due to government reforms – may lead to increase in arrears (Links to Strategic Risk around failure to maximise rental	Analysis of impact carried out and reported to Board Sept 2011 and updated Jan 2012 Arrears prevention / income maximisation advice	3	3	Kevin Johnson	Benefit Regulations to be produced by DWP May 2012 Joint meeting with Council Finance Team 22 May 2012 to discuss response Article in TGHC News Reforms begin to be implemented	May 2012 May 2012 April 2013

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
	income via Financial Inclusion initiatives)	Programme of information to customers on potential impact of welfare reform					
	IMPROVEMENT TEAM						
IM1	Risk of complaints not being managed and used effectively – leading to reduced satisfaction and missed opportunities to learn and improve services	Management of complaints IT system with prompts to respond Complaint timescale monitoring and monthly reporting Bi-monthly meetings of Complaints Panel to review performance and learning	2	2	Andrea Foreman	Monthly complaint monitoring and reporting Review of complaints process in Mears	Monthly throughout 2012/13 October 2012
IM2	Risk of not achieving service standards - leading to reduced satisfaction	Knowledge of standards - "A guide to the service you can expect from." Quarterly performance reports for service standard indicators Service Standards reviewed for 2012/13	2	2	Kevin Johnson	Year end Performance Report to Board Annual Report to Tenants	May 2012 October 2012

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
		Annual report to tenants					
IM3	Risk of not maximising use of customer data - leading to missed opportunities to provide efficient, customer focused services.	Northgate housing system contains unique person record for all customers which is linked to all areas of service.	2	2	Kevin Johnson	Data Quality Workshop Rollout of Northgate v6 Training on Customer data	11 May 2012 All users – Mar 13 2012/13

Customers and Communities - Gas Servicing Operational Risk Register

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
GS1	<p>Customers sleeping temporary/permanent in a room with a open flued gas appliance, including overcrowded property</p> <p>Fatality due to Carbon Monoxide Poisoning incident. Spillage of fumes in domestic properties while sleeping in the same room as the gas appliance</p>	<p>TGHC GAS SAFE Registered</p> <p>Risk Assessed Procedure initiated Carbon Monoxide detector Every three month a gas service is initiated</p> <p>Records/Data kept. All contractors are GAS SAFE competent registered</p> <p>All contractors and employees are checked for registration annually. Raise Awareness to employees, contractors and customers e.g. Press, company magazines etc. Work Closely with general hospitals/care workers/social services</p>	2	4	Gary Stirling	<p>Raise Awareness of risk to customers. Working with family relatives social services, local hospitals, care workers, Raising awareness through customer forums</p> <p>Monitor Regulations for any changes</p>	<p>Ongoing</p> <p>Review January 2012 2013</p> <p>Ongoing</p>

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
GS2	<p>Failure to comply with gas safety legislation and regulation in non-residential buildings</p> <p>This will result in exposure to dangerous conditions which may lead to fatality, loss of company reputation and insurance claims</p>	<p>Gas safety policy with employees briefing to communicate changes.</p> <p>Register of trained engineers renewal of registration</p> <p>Audit checks for compliance.</p> <p>Reported accidents investigated.</p> <p>All properties inspected to gas SAFE standards</p> <p>Court injunctions for the hard to reach residents</p> <p>Dangerous appliances isolated and meter capped in all instances</p> <p>Liaising with Carers and other agencies for access to the properties as required from a care plan assessment</p>	2	4	Gary Stirling	Ongoing company audits with all contractors. Reviewing policies as regulations and standards change.	Ongoing Review January 2012

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
GS2	<p>Non-compliance with the Gas Safety (Installation and Use) Regulations 1998 for all flues to be suitable for the appliance concerned and to be in a proper condition for the safe operation of the appliance by 31 December 2012</p> <p>resulting spillage of fumes from gas appliance due to concealed flue pipe and a potential fatality due to carbon monoxide poisoning</p>	<p>All pre-assembled concealed flues in voids risk assessed during a gas repair, service or survey</p> <p>Risk assessed as per new gas regulations to determine if flue pipe is installed and connected in a safe manner</p> <p>Void structure has access panels fitted for inspection of gas appoint flue joints</p> <p>If panels are not viable, the flue must be repositioned to allow access for inspection</p> <p>If flue is not repositioned, gas boiler and flue are repositioned or renewed to give access to flue connections</p>	2	4	Gary Stirling	<p>Tender to renew new boilers where flue access is denied</p> <p>Maintenance and surveys through risk assessments</p> <p>Inspections to install access panels</p> <p>Gas boilers which fail risk assessment to be classed as 'AT RISK' and to be replaced / renewed to new gas regulations</p> <p>Asset Management to initiate contract to change all "at risk" boilers</p>	<p>To be completed by end 2012</p> <p>Ongoing</p> <p>Ongoing</p> <p>End 2012 If not completed by date, gas appliance will be classed as 'IMMEDIATELY DANGEROUS' and disconnected</p> <p>End December 2012</p>

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
GS3	<p>Fatality due to gas related incidents or Carbon Monoxide Poisoning incidents</p> <p>Explosion ignited by gas escapes in properties and surrounding properties from installation pipe work, gas appliances and all domestic ancillary gas fittings. Spillage of fumes from solid fuel or gas appliances in domestic properties, including surrounding properties</p>	<p>TGHC GAS SAFE Registered</p> <p>Annual gas service initiated</p> <p>HETAS solid fuel registered contractors initiate work</p> <p>Annual solid fuel service initiated. Risk Assessed Procedure for No Access Properties</p> <p>Records/Data kept. Weekly and Monthly performance audits</p> <p>5% of all Gas Servicing Audited. Yearly performance audit initiated for solid fuel appliances</p> <p>All contractors are GAS SAFE competent registered</p> <p>All contractors and employees are checked for registration annually</p>	1	4	Gary Stirling	<p>Raise awareness of risk to customers through customer forums, local newspapers, company booklets and magazines.</p> <p>Change customer's actions and views to allow us to initiate an annual gas service.</p> <p>Initiate zero tolerance to no access.</p> <p>Manage risk in accordance with Best Practice. Continue to install Carbon Monoxide detectors to remaining high risk gas appliances of Council properties.</p> <p>Continue with programmed replacement of open flued boilers. A programme of works to change all existing solid fuel appliances to Gas appliances</p> <p>Continue to install Carbon Monoxide detectors to remaining high risk gas appliances of Council properties.</p> <p>Change out of date detectors to high risk boilers only, best practice and VFM</p>	<p>Ongoing</p> <p>Review January 2012 2013</p> <p>Review Jan 2013</p> <p>Review Jan 2013</p>

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
		<p>Raise Awareness to employees, contractors and customers e.g. Press, company magazines etc</p> <p>Carbon Monoxide detectors installed to 98% of Council properties with gas appliances. Carbon Monoxide detectors installed to all properties with solid fuel appliances installed</p>					

Customers and Communities – Improvement Works Operational Risk Register

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
IW2	Injury / fatality to public – potential litigation, HSE investigation and criminal investigation.	Health & Safety plan in place for every site Method statements for work to mitigate risk to public Regular site inspections by partner and TGHC	1	4	Jim Charlton	Adequate controls in place.	
IW3	Increase in complaints from customers, Councillors and other stake holders resulting in a loss of confidence / public image for TGHC and partners.	Targeted 70% satisfaction survey Quarterly performance reporting Dissatisfaction Survey to explore negative feedback Early intervention and discussion with partner	2	2	Carole Nicholson	Learn from satisfaction /dissatisfaction and implement changes to improve future delivery	Ongoing

Customers and Communities – New Build Operational Risk Register

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
NB1	Statutory Authority Risks (gas, water, electric, telecom etc) The utilities all need to be available to be used by the tenant prior to the new build project and prior to the tenant moving in. The costs of providing the ability to use these utilities need to be built into the budget for the schemes.	Discussions held with all utility companies prior to the project being drawn up to ensure that all utilities can be provided and to ensure any costs associated with these are built into the budgets.	2	4	Peter Smith		
NB2	Party Wall Risks Future risk of claims from Third party of Subsidence etc	Legal advice followed and Party Wall Act is invoked. Photographs taken of all adjacent properties prior to commencement of works on site	2	4	Peter Smith		
NB3	Programme slippage Failure to deliver new homes on time. Company could lose funding if schemes are not completed in line with the milestones as agreed with the HCA. Reduced customer satisfaction, if delivery delayed this may	Regular monthly site meetings to manage the project and focus on any issues that affect the programme Detailed legal advice on grant agreement prior to signing. Checks in place via pre contract and post	2	4	Peter Smith		

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
	impact on future HCA funding. Labour shortage may lead to delay in completing the scheme	contract project plan to ensure conditions precedent are met. Effective project management of schemes. All PR coordinated within the context of schemes so expectations clear and realistic. Effective communications strategy identifying key stages and agreeing appropriate form of communication					
NB4	Environmental problems on site e.g. unknown contamination Delays in delivering the development and increased cost of the scheme.	Early site investigation – desk top and on site.	2	3	Peter Smith		
NB5	Security risks to properties, site and compound Loss due to vandalism and theft. Impact on neighbouring residents in the area.	As part of a robust procurement procedure this is addressed by checking the contractor's track record when they are onsite. Materials or tools not stored with a resale value on site.	2	3	Peter Smith	Contractor to visit local schools to explain the risks on a building site and site compounds.	

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
NB6	Design and development issues with neighbouring houses May cause friction between the new tenants and the existing occupants in the area	Addressed as part of the planning process. Also through independent Communication by TGHC with the local residents	2	3	Peter Smith	Minimise disruption to local residents and involve them in the design development and any environmental improvements linked with the development	
NB7	HSE breach by contractor Injury to operative or visitor to site, damage to possessions	Appropriate Health and Safety procedures built into contracts and monitored. Risk is transferred to contractor (other than reputational)	4	4	Roberto D-Emidio		
NB8	Planning approval not given for individual scheme Resources used to develop schemes that are not supported by planning. Raised expectations of local residents. Lost of HCA funding.	Early discussion with planners. Agreed process with first point of contract for TGHC with Council's Development Control. Nearby residents informed and engaged before schemes presented for planning.	4	4	Peter Smith		
NB9	Delay or inability to supply materials part way through programme Delay on completion of scheme, additional costs may be incurred.	Alternative suppliers for all materials. Do not nominate supplier or produce passing risk to contractor. Robust tender process	4	3	Peter Smith		

Customers and Communities – Repairs Operational Risk Register

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
RE1	Inclement weather resulting in increased property defects and delay in delivering reported repairs – repair costs / customer dissatisfaction / litigation and associated costs (S 11 Cases) / poor KPI performance	<p>Winter contingency plan now a formal part of Contractors BCP.</p> <p>Staff and contractors have increased awareness and proactively review resources accordingly to meet increased service demand.</p> <p>Specification change implemented for external condensate.</p>	3	2	Russell Urwin	<p>Reassessment of internal / contractors procedures, staffing and contacts in preparation for seasonal change.</p> <p>Ensure winter contingency plan is built into Mears Business Continuity Plan</p>	<p>September 2012</p> <p>June 2012</p>
RE2	Overspending repairs budget resulting in an inability to carry out core function - asset degradation / customer dissatisfaction	<p>Live variations process in place. Provides enhanced clarity of works in progress and contract expenditure.</p>	2	4	Russell Urwin	<p>Weekly financial review of orders raised /variations applied to identify patterns.</p>	Ongoing
RE3	Inability to manage Cyclical Maintenance Resulting in inability to meet legislative requirements/ inadequate control of contractor outputs and quality/ asset	<p>Principal management undertaken by LES on behalf of client.</p>	3	3	Russell Urwin	<p>Review management arrangements</p> <p>Development of SLA with LES and other service providers required.</p> <p>Review of existing</p>	<p>June 2012</p> <p>May 2012</p>

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
	degradation or closure / financial loss.					management systems and data. Assessment of tendered/non tendered maintenance agreements and warranty availability/requirements.	Ongoing
RE4	Unsafe working practices resulting in injury and death of persons - loss of key personnel / litigation and associated costs / negative corporate image	Annual review of H&S risk assessments and method statements for all works and associated activities Task-based risk assessments completed	1	4	Russell Urwin	Further review of H&S procedures in required in line with appointment of Mears Additional training and briefs to follow structure changes	June 2012
RE5	Principal contractor liquidation resulting in inability to carry out core function - asset degradation / customer dissatisfaction / litigation and associated costs / negative corporate image / financial loss	Close links with Local Environmental Services will provide a contingency and the use of additional contractors for specialist works to ensure that essential services can be provided Ongoing contract register review to identify the extent to which the service could be covered Evaluation of new principal contractor	1	4	Russell Urwin	Development of a company wide approved contractor register in conjunction with Asset and Procurement.	2 nd Quarter

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
		financial management and invoicing procedures					
RE6	Loss of contractor office / depot facilities Resulting in inability to carry out core function - asset degradation / customer dissatisfaction / litigation and associated costs / negative corporate image / financial loss	Contractor staff are able to operate from multiple locations therefore ensuring a continuation of service provision.	2	2	Russell Urwin	Development of Mears Business Continuity Plan with regular reviews built in	June 2012
RE7	Financial disputes resulting in escalation of unresolved disputes – litigation and associated costs / negative corporate image	Enhanced contract conditions as part of repairs re-tendering. Live variations process in place. Provides enhanced clarity of works in progress and contract expenditure.	2	2	Russell Urwin	Monthly financial review meeting with Mears to evaluate variations process.	Ongoing monthly
RE8	Failure to deliver repairs to published standards and timescales resulting in customer dissatisfaction / negative corporate image	Weekly performance meetings for first 3 months to evaluate Mears' performance. Enhanced performance information available on demand through contractors repairs	2	2	Russell Urwin	Scheduled performance meetings and reporting criteria to be developed by Core Group. Review repairs policy with Gateshead Council including changes to repairs Categories agreed by Mears as part of their tender	June 2012 End March 2013

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
		interface enables closer monitoring.				Implement quarterly monitoring for repairs and voids	June 2012

Customers and Communities – Tenancy and Estate Management Operational Risk Register

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
HM1	<p>Risk of fires/tripping hazards/safety in communal areas in multi storey accommodation, low rise and sheltered accommodation</p> <p>Impact – risk of injury or fatality to staff and customers</p>	<ul style="list-style-type: none"> Multi storey check system in place to remove hazards Furniture replacement programme in place to remove non compliant furnishings in sheltered accommodation Fire Safety works programme in progress 	2	4	J McCartney	<p>Develop an approach to safety checks in medium and low rise</p> <p>Complete fire safety works in MSB's</p> <p>Develop and complete fire safety work in sheltered schemes</p>	<p>November 2012</p> <p>July 2012</p> <p>December 2012</p>
HM2	<p>Reduced customer satisfaction with living in neighbourhood due to lack of funding for estate & environmental projects</p> <p>Impact – reduced customer satisfaction in neighbourhoods could lead to increase in tenants moving out and reduced demand for properties</p>	<ul style="list-style-type: none"> Established partnership arrangements in place Access to funding via community groups in place EO toolkit outlining current resources available to maximise implementation of schemes. 	2	2	Neighbourhood Services Managers	Explore & Identify other external funding resources	Ongoing
HM3	<p>Grounds Maintenance Service not delivered to agreed published standards</p> <p>Impact – reduced customer and councillor satisfaction with neighbourhoods and reduced demand for homes due to visual look of estates</p>	<ul style="list-style-type: none"> Joint working arrangements established and in place Monthly and quarterly performance monitoring meetings 	2	2	J McCartney	Annual review of Grounds Maintenance Service Agreement with customer involvement	June 2012

Risk No	Risk	Controls	Likelihood	Impact	Owner	Future Actions	Timescale for implementation
		<p>held with customers and partners to scrutinise performance</p> <ul style="list-style-type: none"> Annual review of Service Agreement with customer involvement is undertaken 				Update customers on revised service standards	June 2012
HM4	<p>Not reporting Safeguarding Adult or Children issues</p> <p>Impact – risk of serious injury or fatality to a child or adult and potential risk of legal challenge if we are found to be at fault</p>	<ul style="list-style-type: none"> Policy and procedures in place & reviewed annually Staff training is reviewed annually & refreshed every 3 years through appraisals Referrals and cases are monitored through NRT Training is provided through multi agency Safeguarding Boards & through TGHC Specialist housing safeguarding children training for company held Jan-March 2011 & has been included in annual training directory 	1	4	Deborah Ewart	<p>Work with Mears to develop safeguarding training</p> <p>Mears to roll out safeguarding training from September 2012</p> <p>Begin to roll out safeguarding alerter training to staff</p> <p>Develop referral and monitoring of safeguarding cases</p>	<p>September 2012</p> <p>End March 2013</p> <p>May 2012</p> <p>July 2012</p>



Report to the Resources and Audit Committee

10 May 2012

Title: Internal Audit Plan 2012/13

Report of: Chief Internal Auditor, Gateshead Council

Purpose of Report

1. To approve the Internal Audit Plan for the year 2012/13.

Summary

2. The Chief Internal Auditor has produced a plan for the year 2012/13 and it is attached at the Appendix to this report.

Link to values

3. This report links to the corporate value of being motivated, trained, and committed across the company.

Impact on tenants

4. No impact directly from this report.

Risk Management Implications

5. The perceived risk of each audit is based on a twelve point assessment taking into account such areas as materiality, complexity of the system, potential for fraud and sensitivity. Based on a score derived from the assessment, audits are categorised as high, medium and low priorities. The Company's risk registers and the previous year's audit work is also reviewed. This informs the time allocation and the frequency in which audits will be carried out.

Financial Implications

6. The cost of the internal audit work plan is fully provided for in the 2012/13 budget.

Equality and Diversity Implications

7. There are no Equality and Diversity implications associated with this report.

Value for Money implications

8. The delivery of the 2012/13 audit plan and the implementation of internal audit recommendations will assist in identifying efficiencies and achieving value for money.

Consultation carried out

9. The plan has been developed following consultation with all relevant stakeholders within the company.

Recommendation

10. The committee is asked to approve internal audit plan for 2012/13.

	Internal Audit Plan 2012/13	Planned Days	Planned Report to Committee
	CORPORATE SERVICES		
1	TGHC Business Continuity Arrangements	5	Jul-12
2	TGHC Insurance Arrangements	3	Oct-12
3	TGHC Leaseholder Service Charges	7	Oct-12
4	TGHC Risk Management	9	Oct-12
5	TGHC VAT Procedures	4	Oct-12
6	TGHC VFM and Efficiency Arrangements	9	Oct-12
7	TGHC Budget Setting and Monitoring	5	Feb-13
8	TGHC Company Payroll	7	Feb-13
9	TGHC Creditors	7	Feb-13
10	TGHC Equality and Diversity	9	Feb-13
11	TGHC Main Accounting	5	Feb-13
12	TGHC Health and Safety	9	Jul-12
13	TGHC Information Security Management	9	Jul-12
14	TGHC Corporate IT	1	Apr-13
		91	
	CUSTOMERS & COMMUNITIES		
15	TGHC Gas Servicing	5	Feb-13
16	TGHC Repairs	11	Feb-13
17	TGHC Furnished Tenancies	9	Jul-12
18	TGHC Rent Arrears	20	Jul-12
19	TGHC Rent Collection	9	Oct-12
20	TGHC Home Rewards	9	Apr-13
21	TGHC Tenancy Allocation and Lettings	13	Apr-13
22	TGHC Void Management	9	Apr-13
23	TGHC Anti-Social Behaviour	7	Jul-12
24	TGHC Housing Establishments	12	Apr-13
		105	
	GENERAL		
	TGHC Audit Committee	4	
	TGHC General Advice, Consultancy and Systems Review	7	
		11	



Report to Resources and Audit Committee

10 May 2012

Title: Management Accounts – Fourth Quarter 2011/12

Report of: Director of Corporate Services

Purpose of Report

1. To provide the committee with an update on the management accounts for the fourth quarter of the financial year 2011/12.

Background

2. The Accounts Team produces monthly management accounts which detail the actual charges for the month, the year to date charges and the budget year to date. This shows the variance and the forecasted budget. This report has been included in the Appendix to this report.
3. The Board agreed the budget for 2011/12 at its meeting on 8 March 2011.

Management Accounts

4. As detailed in previous reports, following the budget that was approved by the Board in March 2011, the Council amended the management fee. The management fee increased by £70,000 to reflect the company's additional responsibility for Repairs and Maintenance of council house adaptations from 1 April 2011.
5. During the final quarter, it was also agreed with the Council that the Repairs management fee would be increased by £197,000. This was to cover the cost of voids works which were over and above the numbers of works estimated at the start of the year. This was due in part to the asylum properties being handed back to TGHC following the loss of the contract and also to reflect an overall increase in the estimated turnover of tenancies leading to increased numbers of void properties.
6. The revenue management fee income is below budget for the year, although more income was received through the RAIT performance fee than originally budgeted for, less income was taken from the capital programme to enable more funds to be spent on capital works. More detail is provided in the appendix to this report.

7. The staffing budget was set based on the new structure to incorporate the Heads of Service roles as detailed in the budget approved by Board. Staffing costs are underspend for the year. As highlighted in the previous quarter's report we had been including a number of vacant posts which have been fully costed in the actuals to provide a provision for overspends expected in the repairs budget. This has also assisted with the setting of the 2012/13 budget where some of the vacant posts have been removed to enable a balanced budget to be set.
8. Overhead costs are slightly over budget for the year – this is due to NNDR bills relating to 2007/08, 2008/09 and 2009/10 which were previously in dispute with the Council being settled.
9. Repair costs are overspent for the year and detail of the overspend is highlighted in the Appendix. The overspend has been covered by the underspend in the staffing costs due to the provisions we built up in the staffing actuals, as previously explained.
10. Repair and void costs include spend with Mears, our new repairs contractor. Due to the repairs contractor changing on 1st April 2012, there were elements of repair, void and gas works which were provided to Mears early to ensure continuity of service for our customers. This led to additional fixed costs being incurred in relation to prelim costs for Mears.
11. The Management Accounts for the fourth quarter of the financial year 2011/12 are included within the Appendix to this report. The Management Accounts include the income and expenditure in relation to both revenue and repairs for the full financial year.
12. The Management Accounts provide the draft year end position of the Company; however, we are still awaiting some information from the Council in relation to our interest received figure and our year end pension position. Therefore, the final position will not be known until these figures are received.
13. Overall, the fourth quarter and final year end position shows a slight overspend of £34,000; full detail of this overspend is highlighted in the Appendix.
14. The audit of the Financial Statements will take place at the beginning of June and the finalised Financial Statements will be brought to the meeting of Resources and Audit Committee in July for approval.

Link to values

15. This report is in line with the following values of the company :-
 - Being honest, accountable and transparent
 - Being motivated trained, and committed across the company.

Impact on tenants

16. Appropriate financial monitoring and control will ensure efficiencies are maximised and redirected to services that directly impact on tenants.

Risk Management Implications

17. Regular and accurate monitoring will ensure that the strategic risk within the business plan (Insufficient available financial resources) is effectively controlled.

Financial Implications

18. The financial implications are contained within the report and appendices.

Health Implications

19. There are no direct health implications arising from this report.

Equality and Diversity Implications

20. There are no equality or diversity implications arising from this report.

Value for Money implications

21. Regular financial monitoring and control will ensure efficiencies are maximised and then utilised in the most appropriate manner.

Environmental Implications

22. Environmental consideration is given during the day to day management of financial resources through the drive to ensure that purchasing methods are sustainable and through the reduction of energy costs through energy efficient measures being introduced in working practices.

Consultation carried out

23. None directly for this report.

Recommendation

24. The committee's views are sought as to whether it is satisfied with the financial management of the Revenue and Repairs budgets for the fourth quarter of the 2011/12 financial year and for the year overall.

**The Gateshead Housing Company
Management Accounts – March 2012**

Revenue and Repairs Executive Summary

1. The management accounts for the fourth quarter of the 2011/12 financial year are shown below:

	YTD Actual £'000	YTD Budget £'000	YTD Variance £'000	Annual Budget £'000
Management Fee				
Income	16,493	16,791	(298)	16,791
Employee Costs	10,175	11,189	1,014	11,189
Overhead Costs	5,641	5,627	(14)	5,627
Surplus/(Deficit)	677	(25)	702	(25)
Repairs Fee				
Repairs Management Fee	19,849	19,652	197	19,652
Repairs Costs – Mgt Fee	20,560	19,652	(908)	19,652
Surplus/(Deficit)	(711)	0	(711)	0
Overall Annual Surplus/(Deficit)	(34)	(25)	(9)	(25)

2. Overall, the fourth quarter and final year end position shows a slight overspend of £34,000; this is due to repair costs being over budget due to the change over of repairs contractors and Mears undertaking works earlier than planned. This has led to prelim costs being incurred in advance of the new contract starting. Further analysis is detailed later in the appendix.
3. The overspend will be covered by our reserves, at the start of 2011/12 our general reserves were £607,000. Therefore, taking into account the draft overspend figure, the reserves would reduce to £573,000.
4. The annual budget originally increased by £70,000 due to the Council requesting the company to take responsibility for the repairs and maintenance of council house adaptations. During the final quarter, it was also agreed with the Council that the Repairs management fee would be increased by £197,000. This was to cover the cost of voids works which were over and above the numbers of works estimated at the start of the year. This was due in part to the asylum properties being handed back to TGHC following the loss of the contract and also to reflect an overall increase in the original estimated turnover of tenancies leading to increased numbers of void properties.

5. The revenue management fee has been revised due to a number of factors, less income was taken from the capital programme to enable more funds to be spent on capital works and more income was received through the RAIT performance fee. More detail is provided below.
6. The staffing budget is based on the new structure incorporating the Heads of Service roles. The budget assumes savings from the voluntary redundancy process. There were also a number of posts which were held vacant to assist with the setting of the 2012/13 budget which has led to an underspend on the staffing budget. This has been used to offset the overspend on the repairs budget.
7. Overhead costs are slightly over budget for the year – this is due to NNDR bills relating to 2007/08, 2008/09 and 2009/10 which were previously in dispute with the Council being settled.
8. Repairs are over budget for the financial year, and further analysis is provided later in the report.

Income

	YTD Actual £'000	YTD Budget £'000	YTD Variance £'000	Annual Budget £'000
INCOME				
Management Fee	13,334	13,334	0	13,334
Officer Costs	2,395	3,095	(700)	3,095
Management Fee from external bodies	12	12	0	12
Grant Funding	20	0	20	0
Gardening Service Income	3	0	3	0
Other Income	43	0	43	0
Performance Fee	686	350	336	350
Total Income	16,493	16,791	(298)	16,791

9. Overall income for the fourth quarter is under budget for the year. Each line of the income is detailed below.
10. The Management Fee is in relation to the everyday management of Gateshead Council's properties and is calculated based on the staffing structure and prior year overhead costs plus an efficiency target of 4% savings. This has come in on target as the amount agreed has been charged to the Council.
11. The Officer Costs are for the work carried out in relation to the Decent Homes Programme as well as the management of the New Build Projects which are ongoing in 2011/12. The actual amount of Officer Costs claimed for the year was reduced due to the reduction in staff in the department with the fall in the level of Decent Homes work being undertaken.

12. The Management Fee from external bodies relates to the fee received by the company for undertaking the day-to-day management of properties on behalf of the company's subsidiary Keelman Homes and another local housing provider. This is in line with anticipated amounts as it relates to the number of properties managed.
13. Grant Funding has been received from Safer Gateshead to assist with the housing company's work towards the reduction in anti-social behaviour. This was fully received in the year.
14. Gardening service income is an additional income amount agreed with Gateshead Council's Housing Options section. This income is received for the use of the Handyperson service to undertake grass cutting and other gardening services for the homeless section properties. This income was mainly received in the first two quarters of the year.
15. Other income includes the rent received from NEPO for renting a section of the building – this covers the rent and all bills. This was not known when the budget was set. Other income also includes funding received from the Ward Councillor's budgets to carry out specific approved schemes within some of the Sheltered Schemes – this matches exactly with expenditure. Finally it also includes a small amount of income for the feed in tariff associated with the Photovoltaic's situated at the High Lanes new build schemes. This income was not budgeted for as it was unknown.
16. The Performance Fee is in relation to the work that the rent and income teams undertake in the collection of rent and service charges. We have reached an agreement with the Council that if the rent and income teams collect rent and service charges over and above the lower CPA threshold target we have a profit sharing arrangement where we receive 50% of the income collected over and above this target. This is the fee associated with the actual income collected.

Staff Costs

17. Staff Costs are broken down as follows:

	YTD Actual £'000	YTD Budget £'000	YTD Variance £'000	Annual Budget £'000
Employee Costs				
Customer Services	2,240	2,891	651	2,891
Neighbourhood Services	1,024	1,140	116	1,140
Property Services	1,295	1,386	91	1,386
Customers and Communities sub total	4,559	5,417	858	5,417
Support Services	838	910	72	910
Finance	1,726	1,515	(211)	1,515
Corporate Services sub total	2,564	2,425	(139)	2,425
Neighbourhood Services - areas	3,052	3,347	295	3,347
Total Employee costs	10,175	11,189	1,014	11,189

18. Salary costs are underspent for the year. As highlighted in the previous quarter's report we had been including a number of vacant posts which have been fully costed in the actuals to provide a provision for overspends expected in the repairs budget. This has also assisted with the setting of the 2012/13 budget where some of the vacant posts have been removed to enable a balanced budget to be set.
19. The staff budget is based on the new structure including the Heads of Service roles. Currently the Head of Property Services is vacant and it was approved at a previous meeting that this would not be appointed pending the outcome of the housing options review. Property Services has now been split between Customers and Communities and Corporate Services.
20. The large overspend in Finance is due to equal pay costs which have gone through, as well as the redundancy payments for employees who left in June 2011.
21. During the financial year we have spent £168,000 on agency staff; this is in comparison to spend in 2010/11 of £127,000 on agency staff. The spend on agency staff this year has been partly offset in the month end figures due to a number of vacant posts being held.
22. The agency staff costs relate mainly to work in the Repairs Contact Centre and in Housing Offices to cover short term vacancies to maintain frontline services and to support the repairs team through the demobilisation of the current repairs contractor.

Overhead Costs

	YTD Actual £'000	YTD Budget £'000	YTD Variance £'000	Annual Budget £'000
Overhead Costs				
Customers and Communities HQ Total	437	514	77	514
Corporate Services Total	3,988	3,913	(75)	3,913
Customers and Communities Area Costs	1,216	1,200	(16)	1,200
Total Overhead Costs	5,641	5,627	(14)	5,627

23. Overhead costs are slightly overspent for the year; this is due mainly to costs in relation to NNDR bills for the financial years 2007/08, 2008/09 and 2009/10 being paid in the year which had previously been in dispute. This has been paid for through the Corporate Services line.
24. Customers and Communities spend within Keelman House is slightly underspent, this is mainly due to areas highlighted in the previous quarter's report and other areas of spend not being incurred:
- £15k in relation to costs associated with Sheltered Schemes in relation to their equipment and furniture which has not been incurred.
 - £14k in relation to the 24-hour automated touchtone telephone bidding line in Choice Based Lettings which has been cancelled following a review of the service.
 - £5k in relation to stationery charges within Choice Based Lettings.
 - £11k in relation to the Handyperson service including the vehicle lease charge due to a reduction in the number of Handy Person's.
 - The remainder is due to a reduction in the amounts paid in relation to search fees in Rent and Income team, miscellaneous costs not being incurred and a reduction in the amounts paid for travel and car mileage costs.
25. An analysis of overhead spend against budget is included within Appendix 1. Appendix 2 shows a pie chart of areas that the HQ Overheads have been spent on.
26. Budget holders continue to be accountable for their budgets enabling them to review their spend in more detail and overhead spend is monitored in detail by the Finance Section to ensure that these costs are controlled as much as possible. It should be noted that not all costs can be controlled especially in relation to utility costs and insurance claims. Finance monitor these costs on a monthly basis and highlights to Corporate Management any areas causing concern. There are no such areas causing concern at this time.

Repairs Summary

27. An analysis of the repairs costs is provided below.

	Budget £000's	YTD Actual £000's	Variance £000's
REPAIRS			
Fixed Costs (Contractors' Prelim's)	3,500	3,483	17
Responsive – MFS	5,812	7,052	(1,220)
Responsive – LES	1,000	930	70
Responsive – Other	800	1,375	(575)
Relets – MFS	3,300	3,627	(327)
Relets - Other	700	656	44
Cyclical Repairs – Servicing	500	462	38
Cyclical Repairs – Remedial Works	150	0	150
Water Hygiene Testing	150	47	103
Painting	1,000	790	210
Gas Servicing	2,000	2,260	(260)
Electrical Circuit Testing	50	33	17
Solid Fuel Testing	10	4	6
Lift Maintenance	135	177	(42)
Security	200	134	66
Environmental Works	225	257	(32)
Energy Performance Certificates	50	33	17
Aids & Adaptations	70	132	(62)
	19,652	21,452	(1,800)
Insurance Funded Repairs	0	892	892
Repair Management Fee Income	19,652	19,849	197
Income Total	19,652	20,741	1,089
REPAIRS TOTAL	0	(711)	(711)

28. Repair costs are greater than budget by £1,800k, of this £892k will be covered by insurance funded repairs. The Council also increased the repairs management fee by £197k to cover additional void work carried out. The remaining £711k is detailed below. The overspend has been covered by the underspend in the staffing costs due to building up provisions within the staffing actuals.

29. Repair and void costs include spend with Mears, our new repairs contractor. Due to the repairs contractor changing on 1st April 2012, there were elements of repair, void and gas works which were provided to Mears early to ensure continuity of service for our customers. This led to additional fixed costs being incurred in relation to prelim costs for Mears.

Responsive Repairs

30. Responsive repair costs have been split between the spend with our contractor Morrison, the spend with Local Environmental Services and the other adhoc

costs associated with repairs. Morrison carry out all the repairs and maintenance at properties, whilst LES carry out drainage repair works. Other costs are in relation to asbestos testing and removal works, batched Morrison repair work, the repairs freephone number and postage for any postcards/letters, as well as other sub-contractor costs for works Morrison are unable to carry out. Other costs also include the repairs carried out by Mears during the last quarter.

31. Overall the responsive repair costs are over budget at the end of the year.
32. The overall responsive repairs costs, net of the insurance funded repairs, is £8,465,000, which is £853,000 over budget. The majority of this overspend is in relation to responsive repairs – other. The spend to date in this area has increased due to an increase in the costs of the freephone number; an increase in the costs for asbestos testing and removal; and an increase in the costs of other repairs carried out which fall outside of the Morrison contract. This also includes the repairs which have been carried out by Mears before the actual contract start date to ensure continuity of service for our customers.
33. Excluding the guttering work, the average cost per job for responsive repairs this year is £113.14 compared to last year £107.82.
34. The number of responsive repairs invoiced during the year excluding the guttering work is 59,356 in comparison to 63,661 in the same period in 2010/11.
35. Repair satisfaction for the fourth quarter is 99% (against a target of 97-100%).
36. An analysis of the type of responsive repairs carried out during the year is included in Appendix 3 and a comparison of responsive repairs costs and number of jobs in 2011/12 to prior years is included within Appendix 4.

Relets

37. The relet budget has been split between the costs of the works carried out by Morrison and the other costs associated with relets. Other costs relate mainly to costs associated with asbestos works, security costs at void properties and decoration vouchers provided to new tenants. Other costs also include works carried out by Mears before their contract start to ensure continuity of service for our customers.
38. The Morrison relet costs are higher than budget, this is due to an increase in the estimated turnover of tenancies overall, including an increase in the number of relet 2 jobs being carried out. Part of this increase is in relation to the properties which were returned in the first quarter of 2011/12 from Gateshead Council's Asylum Team.
39. The Council have increased our management fee by £197,000 to cover costs associated with the increased number of voids relating to the properties handed back from the Asylum Team, and to cover some of the increase in void work through the overall estimated turnover of tenancies. The actual number of voids estimated during budget setting was 1,676, however, there were 56 additional voids carried out during the year.

40. Overall the average relet cost for the year was £2,103.27 and 1,732 relets were carried out and invoiced. In 2010/11, the average cost was £2,242.75 and there were 1,765 jobs carried out and invoiced.

Painting

41. The painting programme is slightly under budget for the year. A revised painting schedule will be produced for 2012/13 which will link to the Asset Management Strategy and the Window Replacement Programme.

Gas Servicing

42. The gas servicing spend is greater than budget due to work carried out to resolve some of the issues associated with the boiler problems in the winter period. Mears also started carrying out the gas services for April six weeks early to try and ensure that there were no instances where the gas service had not been carried out due to the change in contractor.
43. Gas appliances are required to have a gas service carried out every 12 months, at the end of the year 100% of properties had a gas service within the previous 12 months.

Cyclical Maintenance

44. There are a number of repair costs in relation to the cyclical maintenance programme which has been developed for our properties this is particularly in relation to cyclical repairs, water hygiene testing, lift maintenance, environmental works, electrical circuit testing and solid fuel testing. We have a programme of works for these areas of maintenance and the service level agreements and management arrangements of these areas will be reviewed in 2012/13.

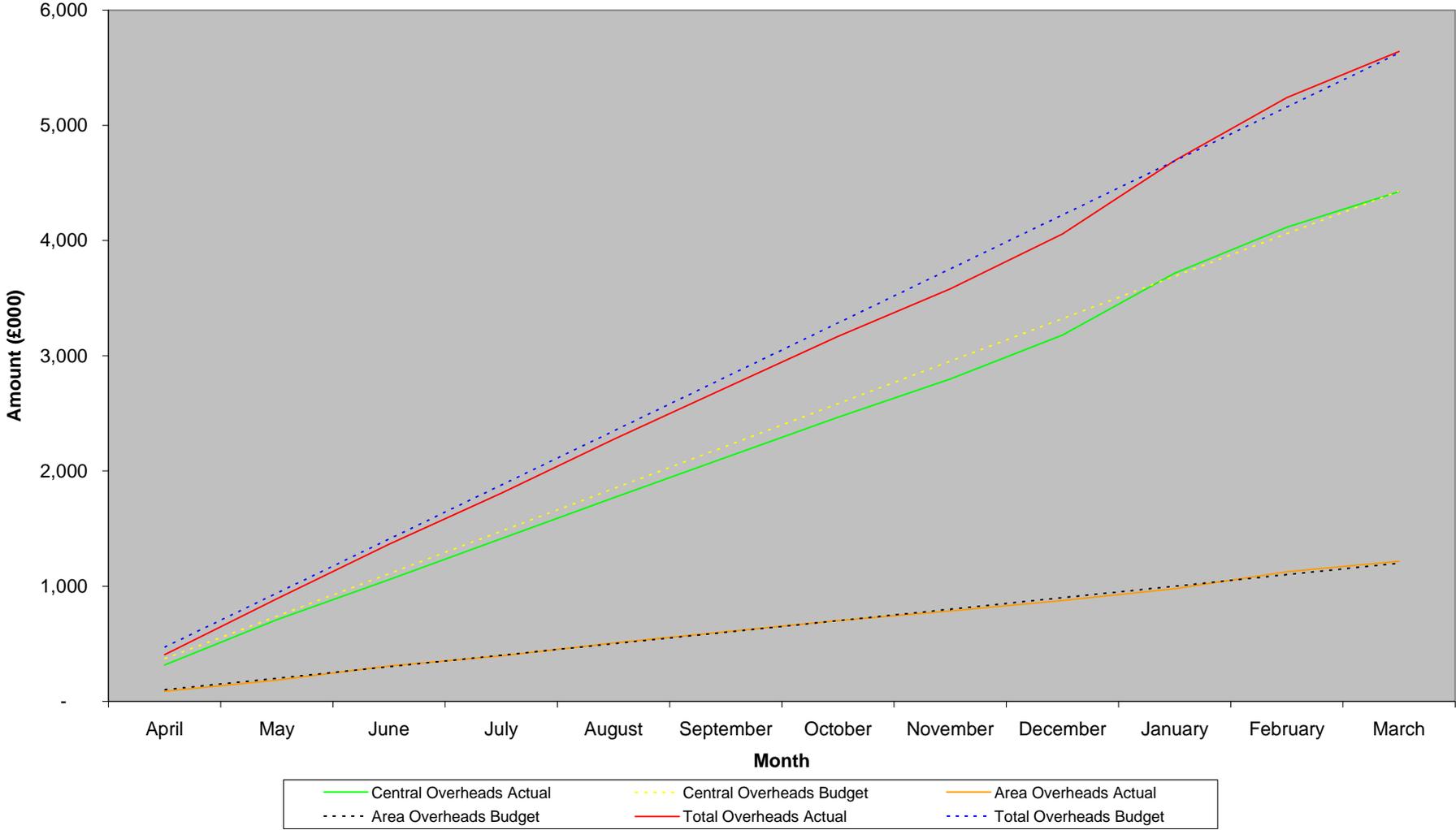
Aids & Adaptations

45. The housing company took on the management of repairs and servicing of aids and adaptations during 2011/12. The Council provided a budget of £70,000 to cover the costs associated with this area of work. However, this has overspent during the year. The housing company do not have any control over the adaptations which are approved by the Council and which then need to be repaired and serviced. Therefore, discussions will be held with the Council during 2012/13 to try and enable more appropriate management of this budget area.

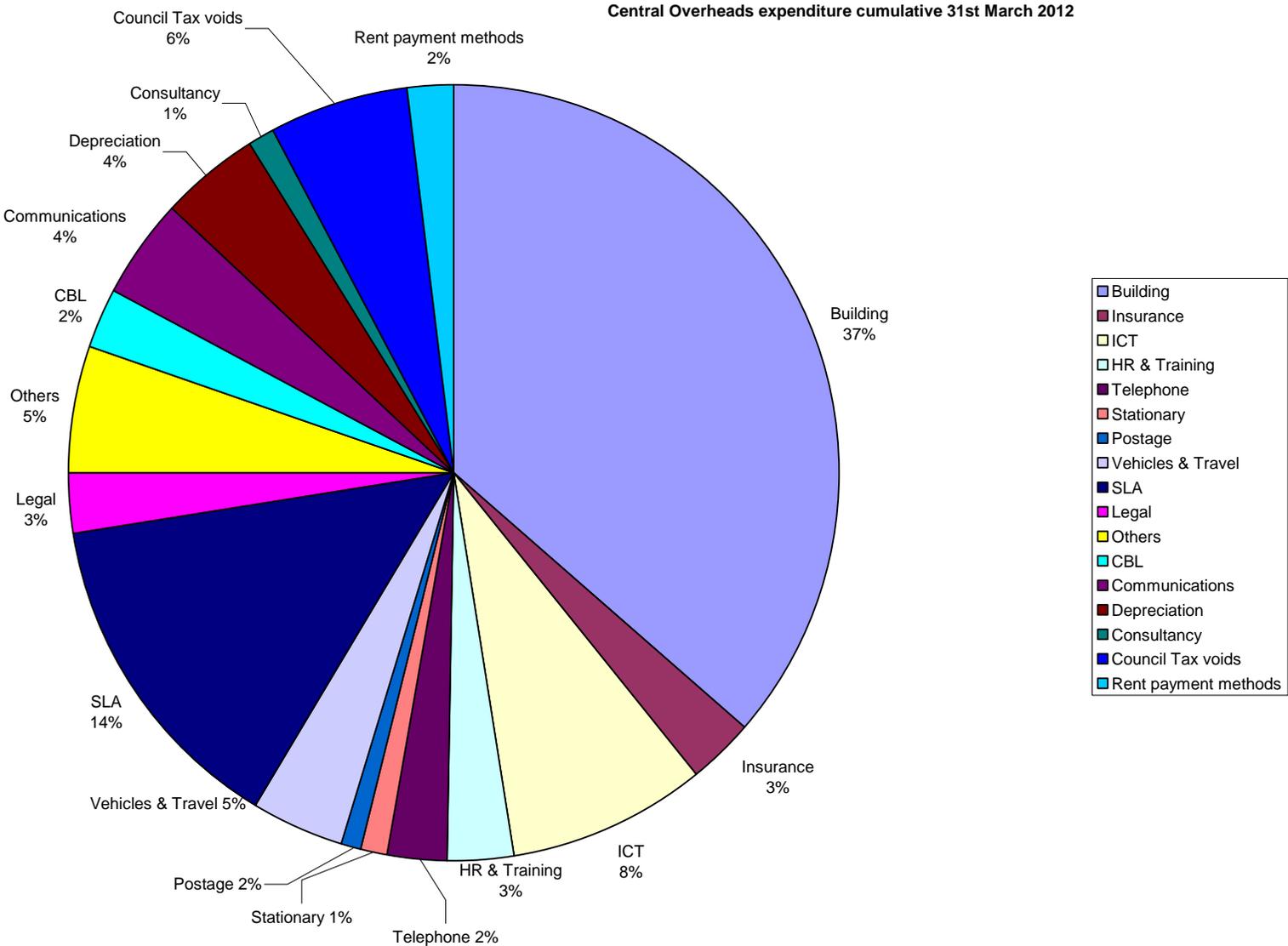
Detailed Management Accounts

	YTD Actual £'000	YTD Budget £'000	YTD Variance £'000	Annual Budget £'000
Income				
Management Fee	13,334	13,334	0	13,334
Officer Costs	2,395	3,095	(700)	3,095
Management Fee from external bodies	12	12	0	12
Grant Funding	20	0	20	0
Gardening Service Income	3	0	3	0
Other Income	43	0	43	0
Performance Fee	686	350	336	350
Total Income	16,493	16,791	(298)	16,791
Employee Costs				
Customer Services	2,240	2,891	651	2,891
Neighbourhood Services - HQ	1,024	1,140	116	1,140
Property Services	1,295	1,386	91	1,386
Customers and Communities sub total	4,559	5,417	858	5,417
Support Services	838	910	72	910
Finance	1,726	1,515	(211)	1,515
Corporate Services sub total	2,564	2,425	(139)	2,425
Neighbourhood Services - areas	3,052	3,347	295	3,347
Total Employee costs	10,175	11,189	1,014	11,189
Overhead Costs				
Customers and Communities HQ Total	437	514	77	514
Corporate Services Total	3,988	3,913	(75)	3,913
Customers and Communities Area Costs	1,216	1,200	(16)	1,200
Total Overhead Costs	5,641	5,627	(14)	5,627
Management Fee Surplus/(Deficit)	677	(25)	702	(25)
Repairs Fee				
Repairs Management Fee	19,849	19,652	197	19,652
Repairs Costs - Mgt Fee	20,560	19,652	(908)	19,652
Surplus/(Deficit)	(711)	0	(711)	0
Overall Annual Surplus/(Deficit)	(34)	(25)	(9)	(25)

TGHC Overheads Budget 2011/12

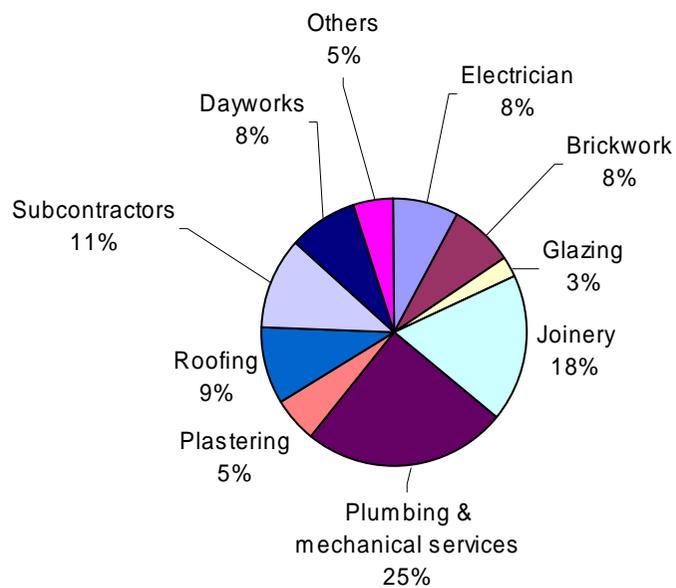


Appendix 2



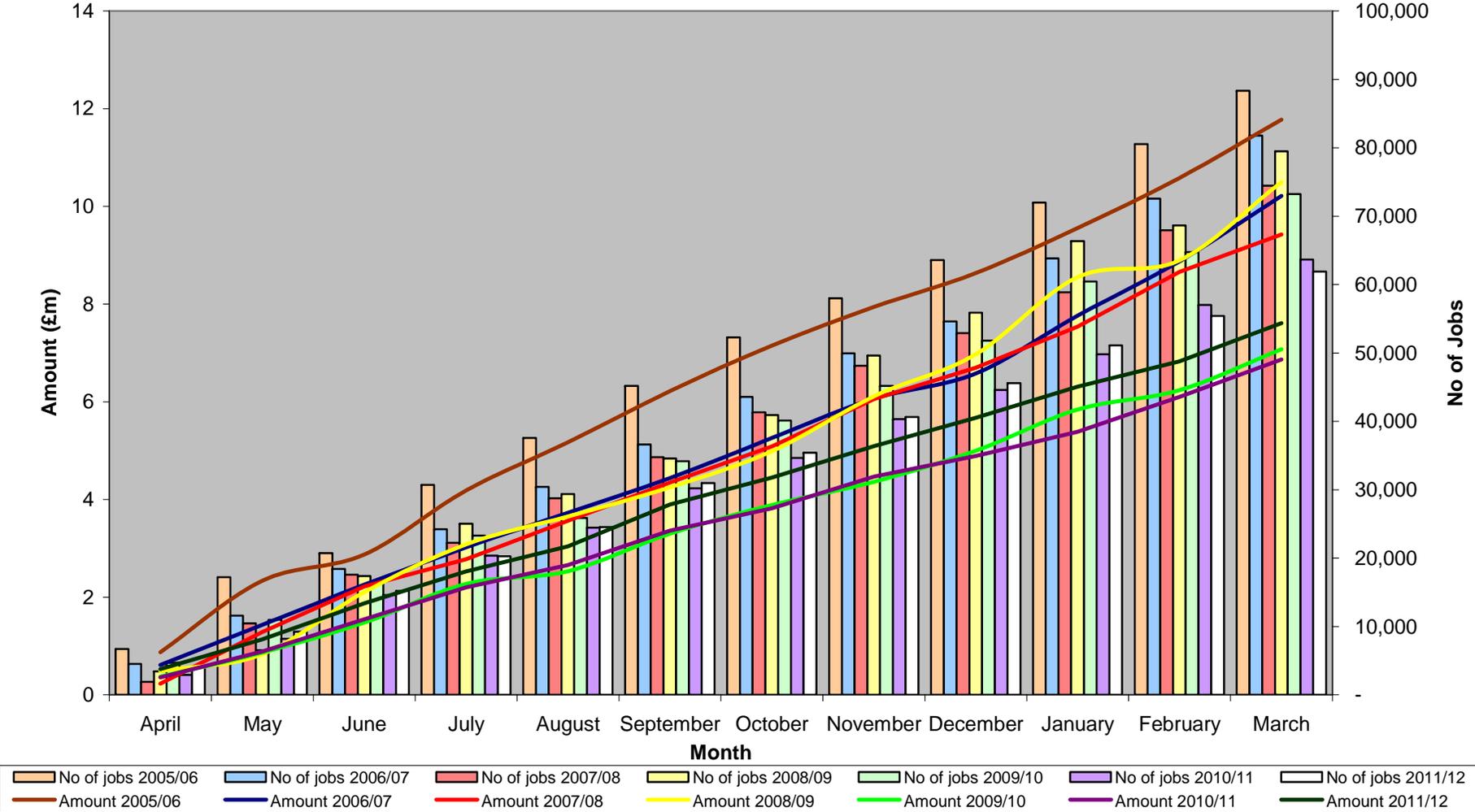
Appendix 3

Morrisons invoiced Repairs by trade for the period April 2011 - March 2012



Trade	2010/11	2011/12
Electrician	577,601.70	553,839
Brickwork	437,475.41	522,050
Glazing	185,072.14	175,976
Joinery	1,168,629.53	1,202,273
Plumbing & mechanical services	1,476,400.13	1,685,811
Plastering	394,904.67	371,394
Roofing	661,282.24	638,435
Subcontractors	544,971.77	764,318
Dayworks	583,305	562,416
Others	216,174	346,098
TOTAL	6,245,816	6,822,610

Comparison of Responsive Repairs to Previous Years



Report to Resources and Audit Committee

10 May 2012



Title: Sickness Absence and Human Resources Update

Report of: Director of Corporate Services

Purpose of Report

1. To provide the committee with update on general HR initiatives and developments for the year ended 31 March 2012.

Background

2. This report provides the Committee with the following information: -
 - Employee and HR Monitoring digest
 - Sickness absence update
 - Work Life Balance update
 - Investigation and Disciplinary update
 - Grievance, Bullying and Harassment update
 - Other HR initiatives and developments.
 - Learning and development activity
3. This report links to the Company strategic priority to ensure resources both human & financial are correctly targeted to effectively support our business and the objective that we continue to support our employees wellbeing and ensure the Housing Company is a great place to work.

Employee and HR Monitoring Digest

4. Attached at Appendix 1 to this report is an analysis of the key employee data and HR monitoring to provide the Committee with an overview of the company's performance and key priorities.

Sickness Absence Update

5. Attached at Appendix 2 is an analysis of the sickness absence levels for the period from April 2011 to March 2012 and compares these with our performance last year.

6. Appendix 3 provides in a graphical format the reasons for absence within each department of the company for the period January to March 2012.
7. The total sickness absence for the period April 2011 to March 2012 equates to 8.47 days per person compared to 8.30 days for the same period last year. However it was as high as 10.37 for the same period 2009/10. This equates to a 2.01% increase in days lost in the period April 2011 to March 2012 compared to April 2010 to March 2011 and 18.32% reduction compared to the same period in 2009/10.
8. We define short term absence as a period of less than 15 working days in duration with long term absence greater than 15 days in duration. In the period April 2011 to March 2012, short term absence was 3.66 days per person and long term 4.81 days. This compares with 4.71 days short term absence and 3.60 days long term absence in the same period April 2010 to March 2011. Which is a 22.29% decrease in short term absence and 25.16% increase in long term absence.
9. In the period April 2011 to March 2012, the biggest cause of absence cited was stress with 846 days lost. This compares to 614 days lost in the same period last year.
10. Of the 846 days of absence due to stress over 80% related to a personal nature compared to less than 20% where the reason was work related stress.
11. Whilst we appreciate it is difficult to control outside stressors, we recognise the need for a holistic approach to employee wellbeing and engagement.
12. We are developing an action plan to equip employees and managers with the skills, knowledge, behaviours and ownership to improve attendance and performance.
13. We are investigating initiatives that will help us to better understand the causes of depression, anxiety and stress. This includes a wellbeing project, emotional resilience and mental health awareness training for managers.
14. A personal support package has been provided to employees who are absent due to stress to include home visits, counselling, cognitive behavioural therapy (CBT) and First assist 24/7 helpline for employees and their families.
15. Managers are provided with monthly sickness information and guidance detailing sickness absence triggers, action required and the early intervention of human resources.

Managing Sickness Absence

16. The company has held 42 sickness counselling interviews in the period April to March 2012 triggered in response to four periods of absence or two periods of 15 days or more in a rolling 12 month period.
17. In October the company introduced absence review meetings and in the period October 2011 to March 2012 the company held 37 absence review meetings with employees who had previously had a sickness counselling interview.

18. In the period April 2011 to March 2012, 58 cognitive behavioural therapy (CBT) / counselling sessions were supported by the company.
19. Five options interview meetings were attended in the period April 2011 to March 2012. The meetings provide employees on long term sickness absence with support relating to options and their future employability with the company. Options include phased return to work, redeployment, work life balance, reduced hours, and reasonable adjustments to the working environment and ill health retirement.
20. In the period April 2011 to March 2012 74 employees were referred to occupational health for an initial assessment. 27 employees attended an occupational health review.
21. In the period April 2011 to March 2012 32 employees attended a VDU eye test, five have been referred to an optician for a full eye assessment.
22. Eleven employees returned to work on phased hours and duties in the period April 2011 to March 2012.
23. Three employees attended occupational health for a Hepatitis B immunisation.
24. We have developed an in-house e-learning module for absence management. The module is mandatory for all employees and includes a question and answer assessment to test knowledge and understanding. The e-learning is in addition to training that has been delivered to managers on the absence management policy.
25. Employees were issued with a card that contains key information on absence reporting in April 2012 edition of the Homework. The card has been designed to fit in a wallet or purse for easy access and use.

Wellbeing Project

26. In October 2011 the company embarked on a wellbeing project. The purpose of the project was to better understand and manage absence. The company used a Wellbeing insight (WBI) tool for screening, prediction and analysis.
27. 353 employees were invited to complete a confidential WBI questionnaire and 243 (69%) employees responded.
28. The majority of employees (57%) reported that they thoroughly enjoyed their work and have roles which are seen by them to have variety and stimulation, a critical factor in motivation for many employees
29. 72% of employees indicate they receive a lot of support from colleagues, and 60% of employees feel valued by colleagues.
30. Of the 243 respondents 20 reported a high level of impaired wellbeing. Employees will be contacted directly by Occupational Health and individual support offered.
31. 19% of employees reported that problems at home demand a lot of energy and indicates the level of resilience and coping of employees.

32. The data indicates that 16% of employees feel performance at work is hindered by their symptoms. This can be a reflection that there is tolerance and acceptance by managers of the impact of domestic issues upon work.
33. Briefings have been held with all managers to give feedback on detailed results. Managers have been informed of their responsibility to manage and support wellbeing.
34. A wellbeing plan is to be developed to increase the levels of wellbeing and performance in the company.

Work Life Balance

35. In the period January to March 2012 the following work life balance applications have been approved:

No of Applications	Type of Work Life Balance Request
6	Application to reduce working hours
4	Application to change work pattern
1	Application for compressed hours

Investigation and Disciplinary

36. In the period January to March 2012 the following activities have taken place:

Investigation	Outcome
4	2 No further action 1 Proceeded to Disciplinary, 1 Pending due to sickness absence
Disciplinary	Outcome
1	1 First written warning
ET1	Outcome
Claims to Employment Tribunal (ET1) 1	1 claim submitted to the employment tribunal on 16 December 2011. Reason for the claim listed as 'other complaint'. The case has since been withdrawn.

Grievances

37. In the period January to March 2012, there were three Stage 1 grievances which are currently at investigation stage.

Bullying and Harassment

38. In the period January to March 2012 there were three allegations of bullying or harassment relating to the grievances above.

Whistleblowing

39. In the period January to March 2012 there were no reported whistleblowing incidents

Other HR Initiatives and Developments

Job Evaluation

40. Five employees remained in protection at 31 March 2012. The period of four years protection has now ended. The company has formally written to the employees informing of them of the ending of the salary protection.

Recruitment

41. In the period January to March 2012, the company has advertised 3 jobs as follows:

Job title	Method of recruitment	Number of applications
Clerical Assistant – Finance Section	Internal TGHC and Gateshead Council	15
Customer Service Assistant – HomeRepairs	Internal TGHC and Gateshead Council	15
Furnished Tenancy Assistant – Lettings	Internal TGHC and Gateshead Council	2

Exit Interviews

42. In the period April 2011 to March 2012, 56 employees left the company. Of these 24 exit interviews were held with an HR Advisor. All employees were contacted and given the opportunity to attend an exit interview or alternatively complete the exit interview form without an HR Advisor. Of those declining an exit interview 26 employees left as a result of voluntary redundancy, 5 employees moved from two employment contracts to one employment contract and 1 employee was dismissed.
43. Of the 24 exit interviews carried out, general comments indicate:
- All employees enjoyed working for the company
 - All employees indicated they had a good relationship with colleagues and management

- All employees would return to work for the company in the future apart from two employees who stated they did not intend to work again.

Work Placement Scheme

44. The company has supported three people on work placements from under represented groups in the community. The aim of the scheme is to improve employability by providing transferable skills and experience. Human Resources, Involvement and Housing Management supported the placements and we are delighted that all of the placements secured paid employment elsewhere.

Child Care Scheme

45. The Company continues to offer a salary sacrifice scheme. As of 31 March 2012 fourteen employees were on the scheme.

Flexi Time Recording

46. The company has developed an in-house electronic reporting system to improve management information. Reports are now generated automatically and information is provided to Heads of Service monthly for action. Further developments are planned to allow management information to be drilled down to a team and individual level.

Employee Ownership of Skills (EOS)

47. The company has supported the National Housing Federation (NHF) and Asset Skills co-ordinated bid to UK Commission for Employment and Skills (UKCES) Employer ownership of skills fund (EOS).
48. The EOS pilot offers all employers direct access to public investment; up to £250 million over two years to design and deliver their own training solutions. An EOS prospectus invites proposals from employers for the first phase of the pilot, covering up to £50 million.
49. Employers have been asked to set out how they would use public investment, alongside their own, to improve the skills of their current and future workforce. In return for greater flexibility in the design and delivery of publicly funded training, employers will have to demonstrate in their bid how the pilot will increase the impact of investment in workforce development.
50. The Company have submitted for inclusion in the consortium bid a commitment to take on and train 3 apprentices for a minimum of 12 months. One in customer services, one in neighbourhood services and one in a corporate services role.
51. The aim would be to give them exposure to different tasks within a 12 month period and to assist them in achieving a vocational qualification. Progress against this bid will be reported at future committees.

Learning and Development Activity

52. During the last quarter we have continued to develop and deliver learning and development solutions identified by, and to meet the needs of the company and employees.
53. A course was delivered specifically looking at condensation, damp and mould – causes, cures and the courts to give employees a sound understanding of this area.
54. Employees from the Neighbourhood Relations Team and Housing Offices attended a course called kick hate crime into touch which addressed the key types of hate crime, how to investigate claims and build a successful case for court. Learning from this course will be applied through employee's daily work.
55. Further to the successful training on debt recovery delivered previously, more sessions were arranged for those employees who were new in post to ensure a level platform of understanding was achieved. The programme is designed to ensure that the skills and behaviours learnt during training are successfully transferred back to the workplace. Following the 3 days training course each delegate will have an individual coaching session with the trainer to ensure techniques are applied consistently and effectively. A return on investment can be measured by the impact on the levels of rent collected as a result of training.
56. Appraisals last year identified the need for further sessions on effective letter writing and survey training. These have been delivered to front line employees to build knowledge and confidence in these two key areas.
57. The Public Service Academy held a workshop focusing on 'Coping with Change in Challenging Times'. The session which was engaging and thought provoking was delivered by Paul McGee and used his S.U.M.O (Shut Up, Move On) techniques to offer suggestions on how to manage change.
58. We were pleased to launch the company's first in-house e-learning module to assist in maximising attendance. This was an innovative project which utilised in-house expertise to develop an effective learning intervention.
59. At the request of a specific service, a session was delivered to support employees with applications for internal vacancies and preparation for interviews. The session aimed to answer questions and develop confidence.
60. A new, innovative respect and dignity at work course has been delivered to raise awareness in this vital area. The training provider combines the use of professional actors and video based scenarios in an objective-led approach to learning and development.

Appraisals

61. April has seen the annual cycle of appraisals commence again. The training skills list has been reviewed and condensed to focus on company priorities. An update on completion rates for appraisals will be provided in the next quarterly report.

Psychometric Assessments

62. Psychometric assessment continues to provide invaluable information about our existing employees development needs and the skills and competencies of potential new recruits. During the last quarter the assessments which include ability tests and personality questionnaires have been utilised to assist employee's personal development as well as support recruitment into a Customer Service Assistant post and a Clerical Assistant within Finance.

Union Learning

63. Employees that expressed an interested in the Chartered Management Institute Level 5 Diploma which was offered through the trade union with a significant reduction in fees have been given the opportunity to enrol. The company have teamed up with Gateshead Council to ensure that there are enough employees to run a course with external provider Amacus.

Health and Safety Training

64. In the period January to March 2012 to following health and safety training has been delivered: -
- CIEH Stress Awareness
 - First Aid
 - Asbestos Awareness
 - Fire Safety
 - Conflict Resolution and Personal Safety
 - Manual Handling
 - Defibrillator Training

ICT Training

65. In the period January to March 2012 the following ICT training and development has been delivered:
- Training session in using a Blackberry
 - Demonstration of Northgate Warranties and Repairs
 - ICT induction
 - Contributing to the corporate intranet
 - Uploading documents into the new Managing Tenancies Index
 - Demonstration of adding documents to corporate SharePoint site for new user based in HR and Admin team
 - Producing reports in Business Objects
 - Introduction to Northgate

Link to values

66. This report links to the following company values: -
- Being honest, accountable and transparent
 - Being motivated, trained and committed across the company
 - Being caring and respecting
 - A commitment to all our employees

- Embracing equality

Impact on Customers

67. Sickness absence impacts on the level of service provided to customers. Every effort is taken to keep this to a minimum. Managing absence and delivering in our commitment to have a well trained and responsive workforce will directly lead to improved services to customers.

Risk Management Implications

68. This report will assist in managing two of the company's strategic risks: -

- Failure to sustain improvement
- Failure to recruit and retain suitable staff.

Financial Implications

69. The financial cost of sickness absence to the company for the period April 2011 to March 2012 was £226,345 compared to £262,900 in the previous year.
70. Although the average number of days lost has increased slightly, the actual cost has reduced due to the lower annual salary costs as a result of our voluntary redundancy programme.

Equality and Diversity Implications

71. The company's commitment to being an equal opportunities employer is an integral part of every aspect of the company's activities. All training is designed to meet the diverse needs of the community and employees.

Value for Money implications

72. We continue to manage sickness absence in order to maximise service delivery to tenants and customers. Through an increased use of internal delivery and development value for money is being achieved. We aim to use the most beneficial methods of delivery to maximise the return for the benefit of the company and customers. Value for money principles are followed in all aspects of the service to include work life balance requests, recruitment and selection.

Health Implications

73. The initiatives and prevention work that has been introduced over the past year have had a positive impact on the health of our employees. The clearest measure of this is the achievement Investors in People (IiP) Gold award and Health and wellbeing award.
74. The company's commitment to learning and development is embedded in the Investors in People award (IiP) and is applied consistently across the company. Our approach to provide tailored learning will have a positive impact on employee's health and overall wellbeing and will minimise any stress.

Environmental Implications

75. There are no environmental implications arising from this report.

Consultation carried out

76. The company's HR consultants EEF Northern and Unions have been consulted on aspects of the report. A number of the courses delivered and developed were identified by employees, as part of the annual appraisal process.

Recommendation

77. The views of the committee are sought on whether the committee is satisfied with the update on general HR initiatives and developments.

 The Gateshead Housing Company Working with Gateshead Council					
Employee and HR Monitoring Digest 2011/12					
Performance Measure		Qtr 1	Qtr 2	Qtr 3	Qtr 4
Number of people employed by TGHC					
Male		151	154	154	151
Female		186	192	199	195
Permanent Employees		324	334	333	332
Temporary Employees		13	12	20	14
Full Time		275	296	300	291
Part Time		62	50	53	55
Number of starters (since 01 April 2011)		1	14	26	27
Number of leavers (since 01 April 2011)		40	44	49	56
Ill health retirements		0	0	0	0
Number of employees seeking redeployment		2	0	1	1
Number of employees in Protection following Job Evaluation		6	5	5	5
Diversity Monitoring					
Gender					
Male		151	154	154	151
Female		186	192	199	195
Age					
Under 18		0	0	0	0
18 – 25		21	26	27	23
26 – 35		110	111	115	115
36 – 45		82	84	84	81
46 – 55		91	89	88	87
56 – 65		33	36	38	39
66 +		0	0	1	1
Disability					
Perceived themselves as disabled		40	41	41	40
Do not perceive themselves as disabled		297	305	312	306

 The Gateshead Housing Company Working with Gateshead Council					
Employee and HR Monitoring Digest 2011/12					
Performance Measure	Qtr 1	Qtr 2	Qtr 3	Qtr 4	
Ethnicity					
White British	326	332	337	330	
White Irish	1	2	2	2	
White Other	1	1	1	1	
White and Black Caribbean				0	
White and Black African		1	1	1	
White and Asian			1	1	
Asian or Asian British Indian	1	1	1	1	
Asian or Asian British Pakistani				0	
Asian or Asian British Bangladeshi	1	2	3	3	
Asian or Asian British Other	1	1	1	1	
Black or Black British Caribbean	4	4	4	0	
Black or Black British African	1	1	1	4	
Black or Black British Other				1	
Chinese	1	1	1	1	
Other	0	0	0	0	
Recruitment Monitoring					
Number of BME applicants for external posts					
Application for employment	11	17	4	0	
Short listed for interview	2	5	1	0	
Offered post	0	3	0	0	
Number of disabled applicants for external posts					
Employment	16	28	6	0	
Short listed for interview	7	13	1	0	
Offered post	0	3	0	0	
HR advisory issues					
Investigations	2	4	2	4	
Disciplinary	0	2	1	0	

					
Employee and HR Monitoring Digest 2011/12					
Performance Measure	Qtr 1	Qtr 2	Qtr 3	Qtr 4	
Suspensions	0	1	1	2	
Oral Warning	0	0	0	0	
First Written Warning	0	1	0	1	
Final Written Warning	0	0	1	0	
Dismissals	0	0	0	1	
Appeals Submitted	0	0	1	1	
Stage 1 Grievance	0	1	0	3	
Stage 2 Grievance	0	1	0	0	
Bullying and Harassment	0	0	0	0	
Whistleblowing	0	0	0	0	
Capability	0	1	1	0	
Health and Wellbeing					
Total number of working days lost per employee (target 9.25 April to September 2011)	2.56	2.11	1.42	2.38	
Total number of working days lost to sickness	840	674	468	776	
Number of Occupational Health appointments					
• New referrals	17	28	7	22	
• Review appointments	3	8	5	11	
• Surgery appointments	20	36	12	32	
• Home appointments	0	0	0	1	
Number of employee counselling/CBT sessions	29	6	7	16	
Number of Absence Management Reviews (Pilot commenced October 2011)	0	0	21	16	
Number of Sickness Counselling Interviews	4	10	10	18	
Number of options interviews (long term sickness)	2	0	1	2	
Number of employees who have had a phased return	1	5	3	2	
Learning and Development					
Number of new staff receiving induction	1	14	26	1	
Number of staff undertaking professional Qualifications	14	18	18	18	

Sickness Absence Summary Sheet 2011 - 2012

Actual Days lost per employee per month to date

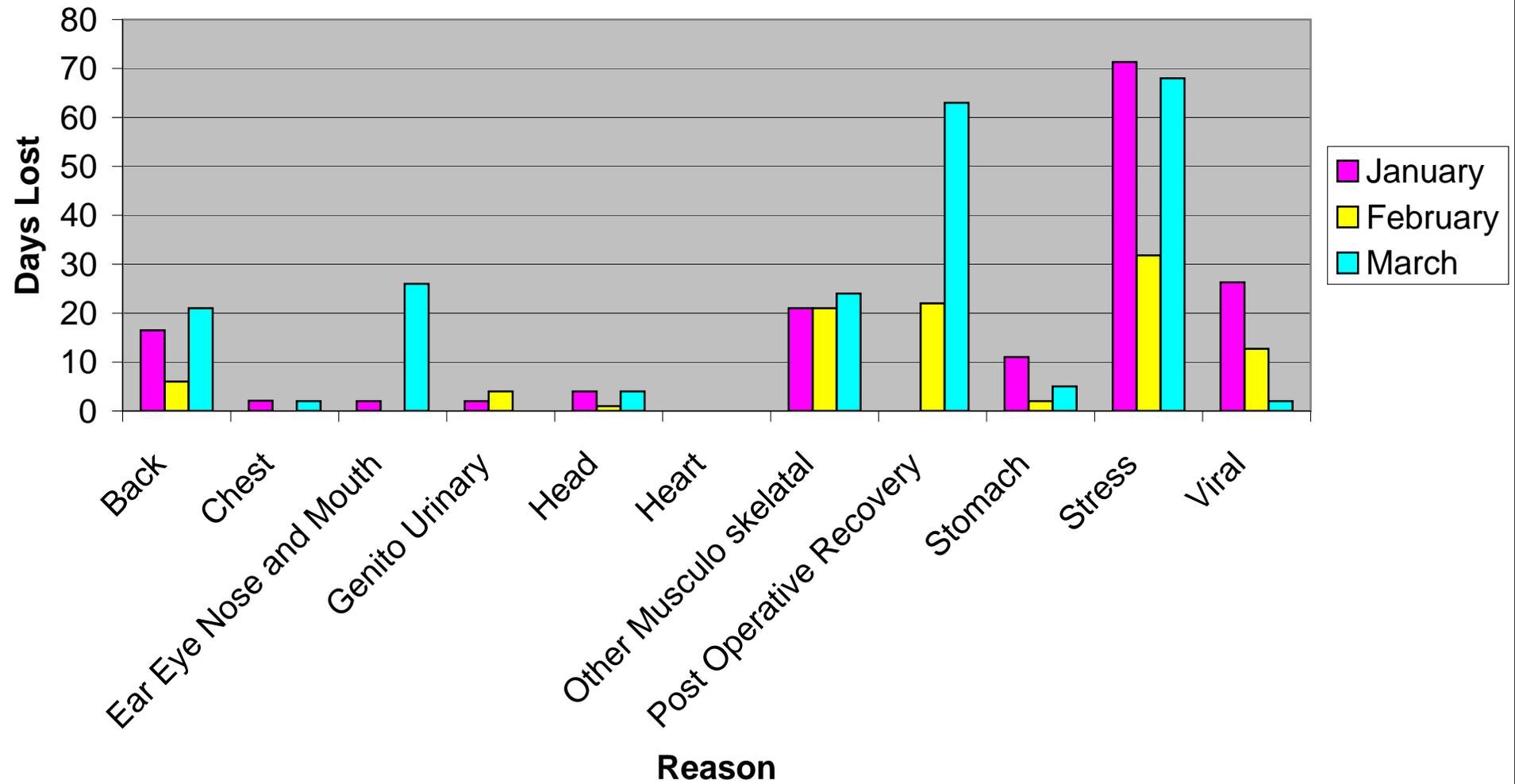
2010/11	HM	Prop & Tech	Corporate Services	Group Man.	All employees TGHC	TGHC cumulative	No of Occurrences	Days Lost per month	Days Lost Short Term Absence	Days Lost Long Term Absence
April	0.88	0.50	0.04	0	0.67	0.67	39	250.45	0.36	0.31
May	0.68	0.31	0.22	0	0.52	1.19	38	196.10	0.32	0.20
June	0.61	0.64	0.07	0	0.53	1.72	42	199.70	0.32	0.21
July	0.62	0.49	0.33	0	0.54	2.26	41	201.80	0.34	0.21
August	0.69	0.48	0.06	0	0.55	2.81	37	200.00	0.27	0.28
September	0.77	0.51	0.43	0	0.66	3.47	45	236.50	0.42	0.24
October	0.98	0.28	0.74	0	0.79	4.26	52	284.50	0.41	0.38
November	1.22	0.84	0.46	0	1.03	5.29	51	371.50	0.42	0.61
December	1.22	0.99	0.79	0	1.10	6.39	77	396.40	0.71	0.39
January	0.84	0.59	0.82	0	0.78	7.17	44	280.30	0.34	0.44
February	0.42	0.40	0.68	0	0.44	7.61	33	161.00	0.29	0.15
March	0.68	0.73	0.71	0	0.69	8.30	55	236.85	0.51	0.18
Cumulative by service area	9.61	6.76	5.35	0.00	8.30		554	3015.10	4.71	3.60

* Days Lost = No of days absence / FTE in the service

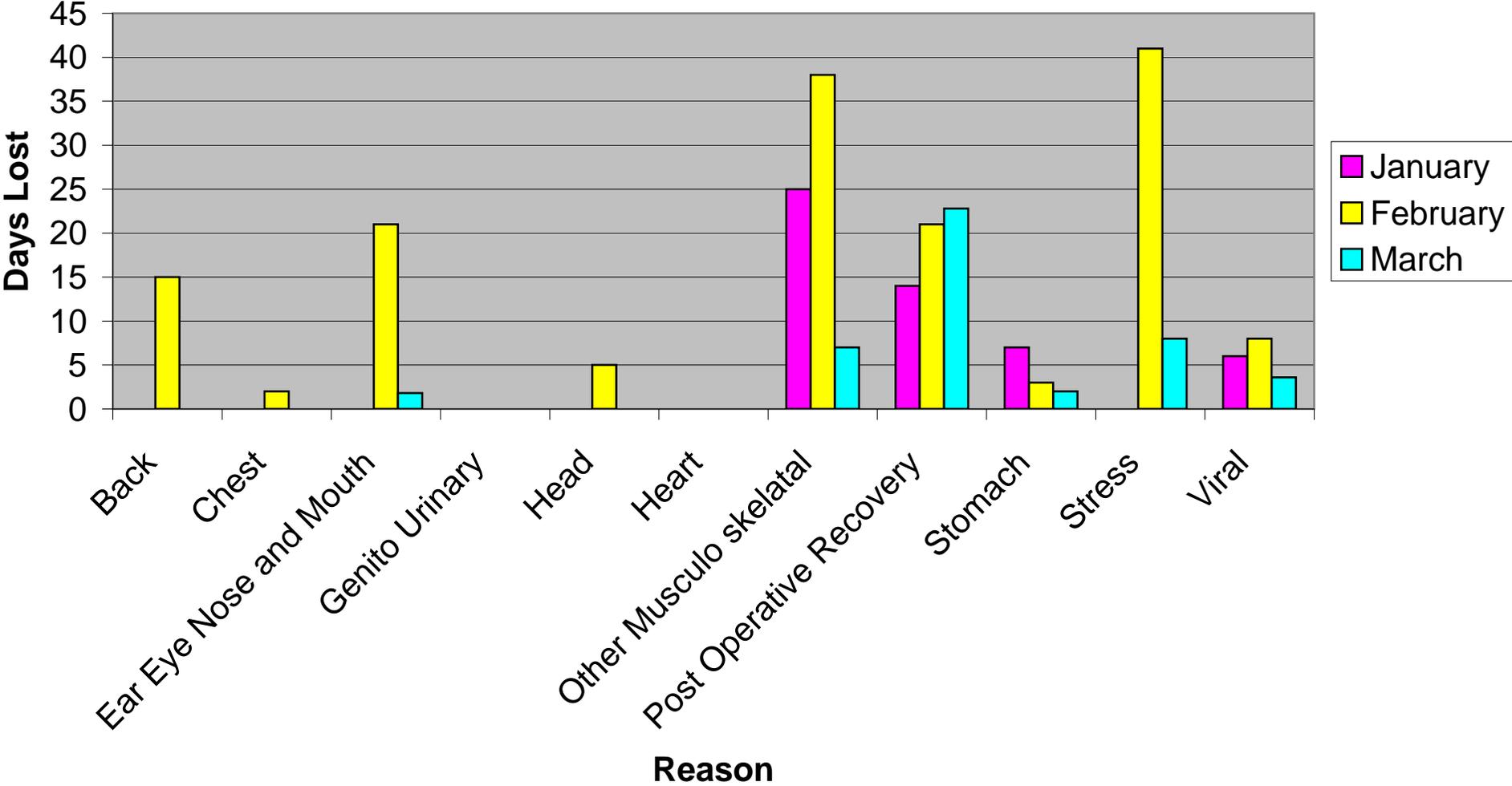
2011/12	HM	Prop & Tech	Corporate Services	Group Man.	All employees TGHC	TGHC cumulative	No of Occurrences	Days Lost per month	Days Lost Short Term Absence	Days Lost Long Term Absence
April	0.64	0.71	0.44	0	0.62	0.62	35	214.30	0.26	0.36
May	0.91	0.91	0.60	0	0.85	1.47	38	289.10	0.35	0.50
June	0.85	1.54	1.42	0	1.09	2.56	46	336.90	0.48	0.61
July	0.39	1.33	1.24	0	0.71	3.27	30	223.20	0.22	0.49
August	0.6	1.04	0.52	0	0.67	3.94	28	212.64	0.23	0.44
September	0.67	1.05	0.52	0	0.73	4.67	34	238.10	0.29	0.44
October	0.37	0.97	0.57	0	0.51	5.18	39	168.70	0.25	0.26
November	0.61	0.62	0.73	0	0.60	5.78	44	196.50	0.4	0.20
December	0.35	0.26	0.19	0	0.31	6.09	36	102.80	0.19	0.12
January	0.78	0.74	0.02	0	0.64	6.73	40	209.20	0.36	0.28
February	0.50	2.09	0.64	0	0.83	7.56	36	270.90	0.34	0.49
March	0.88	1.21	0.87	0	0.91	8.47	40	296.20	0.29	0.62
Cumulative by service area	7.55	12.47	7.76	0.00	8.47		446	2758.54	3.66	4.81

* Days lost = No of days absence / FTE in the service - excludes temp employees with <12 months service

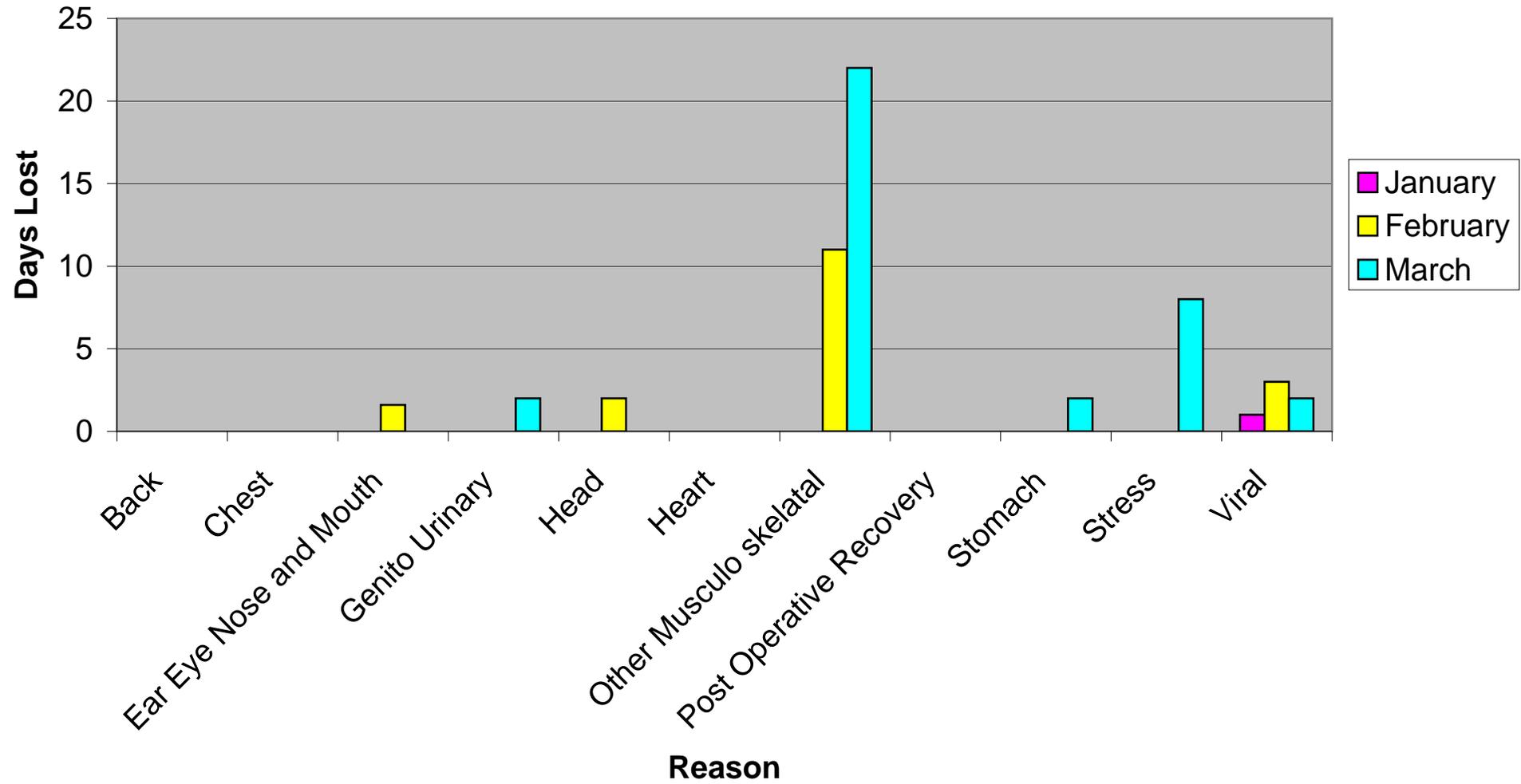
Housing Management



Property and Technical



Corporate Services





Report to Resources and Audit Committee

10 May 2012

Title: The Sunday Times Best Companies Accreditation - Update

Report of: Director of Corporate Services

Purpose of Report

1. To provide the committee with an update on the Best Companies accreditation submitted by the company together with an analysis of the findings.

Background

2. This report links to the Company strategic priority to Ensure resources both human & financial are correctly targeted to effectively support our business and the objective that we continue to support our employees wellbeing and ensure the Housing Company is a great place to work.
3. Traditionally, the company has carried out an employee attitude survey in line with Investors in People (IIP) principles and assessment to help us understand our position as an employer of choice. The questionnaire and results are internal and do not allow for any external comparison or benchmarking.
4. To help us better understand the health of the organisation and our employees we have embarked on a cost effective alternative employee survey that measures engagement and wellbeing and compares this to other external organisations.
5. The Company applied for Best Companies Accreditation and The Sunday Times "Best Companies to work for" list in the category of not for profit sector. The accreditation measures the level of employee engagement in an organisation via a confidential on line survey.
6. The BEST Companies list and Accreditation are part of a national process that involves completing a comprehensive organisation questionnaire and in November 2011, all employees were sent a survey to complete and return directly to Best Companies.
7. The level of employee engagement and satisfaction is assessed based on a series of questions that staff answer on a range of factors. Every organisation that applies for Best Companies Accreditation is given a Best Companies Index score (BCI). The score, on a scale of 1 to 1000, is a measure of employee's

responses to questions within the Best Companies survey. The table below outlines the level of accreditation award against an organisation's score.

<u>BCI (out of 1000)</u>	<u>Accreditation award achieved</u>
Less than 600	No award
600 to 659	Ones to Watch
659.5 to 695	One star (first class)
696.5 to 737.5	Two star (outstanding)
738 upwards	Three star (extraordinary)

8. The Best Companies website details that 873 organisations made it through the process and 515 gained accreditation which includes either a “ones to watch” accreditation or a star rating. The table below is taken from the best companies website and gives information on the totals for the process.

Accreditation Breakdown 2012

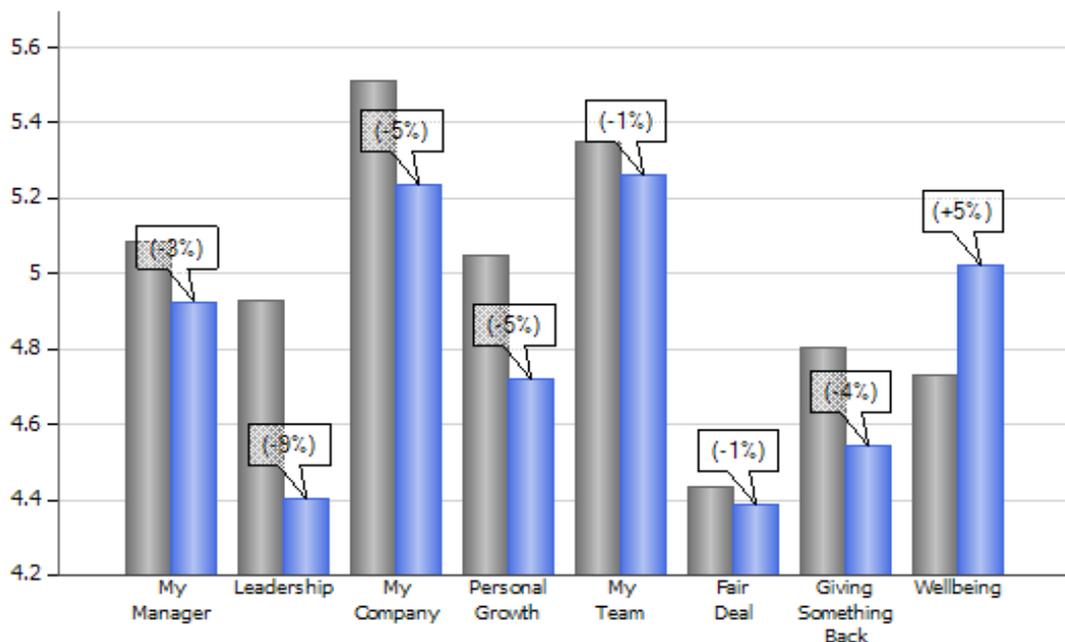
TOTALS	
Total organisations entered	1,082
Total orgs entered - Private	828
Total orgs entered - Public	254
Total Employees Surveyed	245,286
Total Employees Surveyed - Private	190,684
Total Employees Surveyed - Public	54,602

9. In the not for profit sector accreditation there were 15 companies awarded 3 stars, 38 companies awarded 2 stars, 57 companies awarded 1 star and 8 companies were accredited as ones to watch.
9. TGHC achieved a 56% return rate for completed questionnaires and BCI score of 646.1, placing us in the ‘ones to watch’ category.
10. This is the first year we have surveyed employees and we narrowly missed out on 1 star by 13.4 points. The ones to watch accreditation is for those companies

which have not achieved the score necessary for star status but have achieved a score which is worthy of note.

11. The questionnaires contained positively and negatively phrased questions that were broken down into 8 factors as detailed in the graph below with the maximum score in each section being 7 and the minimum score 1. A score of 7 demonstrates strong agreement with the questions worded positively and strong disagreement with the negatively worded questions.
12. The graph shows the factor areas which the questions are grouped in and provides a comparison between the results for TGHC with those of the other organisations in the process who completed the not for profit sectors accreditation questionnaire. The scores for the company are shown in the right hand column with the explanatory bubble above it. The left hand column shows the scores for other organisations in the not for profit category.

Overall by Factor



13. Our score in the category of “Wellbeing” was extremely positive and was comparable to companies that attained top 100 status. This reflects our commitment to Investors in People and recognises the emphasis we continue to place on employee health and wellbeing.
14. Our score in the category of “Leadership” was disappointing and reflects a need to improve our visibility and communication with staff. The survey was carried out during November 2011 and a revised programme of staff engagement and communication activities has been launched to improve in this area.

Communication

15. The accreditation is a significant achievement for the company and in line with the committee’s previous recommendation, the results will be publicised. We are currently having discussions with the council on how best to achieve this.

Summary

16. As this is the first year the company has taken part in this process, it is an excellent achievement to attain the accolade of “ones to watch”. We are confident that our approach to tackle the areas for development will strengthen our position in the future.

Link to values

17. This report links to the following company values: -
- Being honest, accountable and transparent
 - Being motivated, trained and committed across the company
 - Being caring and respecting
 - A commitment to all our employees
 - Embracing equality

Impact on customers

18. There is no immediate impact on customers arising from this report but it is accepted that an engaged workforce will be more customer focused and deliver better outcomes.

Risk Management Implications

19. This report will assist in managing two of the company's strategic risks: -
- Failure to sustain improvement
 - Failure to recruit and retain suitable staff.

Financial Implications

20. The cost of the accreditation was met from existing resources. The Best Companies accreditation presented a strong value for money opportunity at £3 per employee. By comparison, the Invertors In People attitude survey cost £30 per employee.

Equality and Diversity Implications

21. The company's commitment to being an equal opportunities employer is an integral part of every aspect of the company's activities.

Value for Money Implications

22. Receiving feedback from employees assists the company to measure the level of employee engagement and wellbeing. Value for money principles have been followed in every aspect of the activity.

Health Implications

23. Feedback from a survey assists the company to better understand the health and wellbeing of the organisation and its employees. This influences our

approach to the working environment, policies, procedures and our training and support to employees that will lead to improved attendance and performance.

Environmental Implications

24. We are committed to improve our working lives and the environment through increased awareness of our social responsibility. The survey has provided a benchmark for us to measure our improvements in the future. There are no adverse environmental implications associated with this report

Consultation carried out

25. Unions were consulted on the accreditation exercise and have had feedback on the outcome.

Recommendation

26. The views of the committee are sought on whether they are satisfied with the content of this report.



Report to Resources and Audit Committee

10 May 2012

Title: Health and Safety Update

Report of: Director of Corporate Services

Purpose of Report

1. To provide the committee with a report on the company's health and safety activities for the period January to March 2012.

Background

2. The Health and Safety ("H&S") team are responsible for a number of activities designed to eliminate, reduce and mitigate accidents in the workplace, safety of residents and members of the public who access our services and premises.
3. In addition to this the H&S team act in an advisory role to ensure companywide compliance with a number of statutory and regulatory requirements including: -
 - Occupational Health and Safety
 - Health and Safety Training
 - Occupational Hygiene.
4. They also have responsibility for ensuring the company's compliance with statutory regulatory requirements as follows: -
 - Water Management - Risk assessments and water testing.
 - Electrical Safety - Cyclical electrical testing, fixed wiring, portable appliances testing, and emergency lighting testing.
 - Fire Safety - Risk assessment, maintenance, repair and testing of fire alarms and fire appliances.
 - Passengers Lifts Operations - Lift Repairs, maintenance, refurbishment and upgrade to DDA standards.
5. They are also responsible for the coordination and monitoring of health and safety on construction sites including:
 - CDM Coordination (Construction, Design, Management) and Control of Contractors
 - Site Waste Management Plans

Policy, Procedure and Safe Systems of Work Update

6. A review of the Occupational Risk Assessments commenced in November 2011 for all service areas and is on going. The service is working closely with managers to assist with the embedding of health and safety knowledge and responsibilities across the company.
7. The following policies are currently under review:-
 - Occupational Health Policy
 - Lone Working Policy
 - Computer Safety Policy
 - First Aid Policy
 - Risk Assessment Policy
 - Stress at Work Policy
8. As reported to the Committee in February, Health and Safety Office audits were completed during 2011 in our Housing Office network with action plans put in place to address the areas of non-compliance to rectify any deficiencies.
9. Following on from these audits, we are establishing a computer based reporting system to monitor the health and safety and security in the offices. The system will be rolled out to all offices by the end of June 21012.

Void Properties

10. The new procedure for the decommissioning of void properties has been rolled out. All Housing Office Staff responsible for the management of the estates have attended training sessions on the new procedure. We will be reviewing the progress of the arrangements in place during the next cycle of audit inspections which are due to start in June 2012. No key issues have been reported to date.

Mears

11. We are currently working with our new repairs and maintenance partner, to review their health and safety processes and safe systems of work. We have developed detailed terms of reference and are working with them to gather and review the evidence submitted.
12. This process will allow the organisation to effectively monitor their compliance with health and safety
13. Future reports will provide the committee with updates on how Mears are performing in relation to Repairs and Maintenance, Voids, Gas and Asbestos Management from a health and safety point of view.

Accidents Update

14. During the second half of the financial year ended 31March 2012 the following accidents were reported: -
 - Member of staff cut finger within Wrekenton Housing Office
 - Member of staff tripped whilst leaving Wrekenton Housing Office

- Member of staff scalded hand within Keelman House
 - Member of staff cut their hand whilst clearing glass (Newbolt Court)
 - Member of staff fell onto wooden panel (Melbourne Court)
15. In addition to this, the following verbal abuse/ threats to staff were reported and appropriate action has been taken.
- 7 Instances of Verbal Abuse
 - 6 Instances of Threatening Behaviour
 - 1 Instance of Physical Assault where a tenant pushed an Estate officer out of the property causing her to fall onto a colleague.
16. Accidents are investigated by the H&S team and amendments made to risk assessments as appropriate.

Asbestos Management

17. Following a recent Internal Audit report. a recommendation was made that future committee reports should provide more detailed updates covering the following areas:
- Asbestos survey requests by type from all construction operations
 - Update on Keystone Asbestos Asset Database
 - Transition to Mears Asbestos remediation with their appointed subcontractor Shields Environmental Services.
 - Update on the Procurement Exercise for Asbestos Surveys
 - Position statement on number of properties that we have information on
 - Changes in current legislation and the subsequent impact on the organisation.
 - Incidents relating accidental disturbance of Asbestos Containing Materials (ACM's)
18. Whilst all of this work is currently underway, a more detailed report will be provided to the next Committee.
19. From April 2012 the new Control of Asbestos Regulations 2012 came into force. There are no major changes from the Control of Asbestos Regulations 2006 although there are small minor amendments that the Committee need to note that will impact slightly on the Company.
- The requirement to notify to the HSE of certain type of non-licensed material prior to removal, this to conform to EU directives.
 - The requirement to hold and update employee medical records for those that work with asbestos. This will affect Licensed Asbestos Contractors only so there is no requirement on the Company to do this but it is a requirement we need to ensure sub-contractors are adhering to this when handling ACM's on our behalf.
20. An impact assessment on record keeping and notification to TGHC on the notification of non-licensed material has been carried out and will be reviewed with Mears in light of these changes.

Fire Safety Management

21. Fire Safety Audits are continuing in conjunction with Tyne and Wear Fire and Rescue Service (TWFRS) for Housing Offices in shared accommodations under the Regulatory Reform (Fire Safety) Order 2005.
22. Fire safety improvement works to Multi Storey Blocks are continuing. The works will tackle deficiencies identified in the 2010 fire risk assessments for all 28 multi-storey blocks as reported to previous committee hearings and is on target to be completed by July 2012, with the exception of Regent Court. A specialist sprinkler system is to be installed in this block and is currently being procured. It is expected that all works will complete in advance of the deadline set by TWFRS of December 2012.
23. We are also working with the TWFRS to review procedures and systems for lift behaviour in the instance of a fire within a high rise building. A survey of all our lifts has been undertaken to determine their behaviour and functionality.
24. A meeting has taken place with the TWFRS to agree this. Modifications to the lift controls will be required to interface with the fire alarm system, once the specifications have been agreed it will be passed to the Asset Management team to plan and procure the improvement works.
25. A sub regional Fire Safety Advisers group to share best practice and solutions has been established. The next meeting will be hosted by TGHC in July 2012.

Legionella Control

26. Monthly meetings with our maintenance contractor are ongoing and no significant risks have been identified. Water testing is ongoing in all buildings to determine bacterial levels.
27. No positive tests were reported in the period of January to March 2012.
28. The review of water hygiene risk assessments for the managed buildings has been completed. Areas of high risk identified will be rectified immediately and medium risk rectified over a period of 12 months as part of cyclical maintenance.
29. Building Legionella Audits have been completed by the Gateshead Council Legionella Officer. No actions were identified as a result of the audits.

Cyclical Repair and Maintenance Update

30. Monthly meetings with our maintenance contractor Gateshead Council Local Environmental Services are ongoing. The annual Cyclical Maintenance Schedule for all non domestic areas is carried out in line with the Service Level Agreement (SLA) with our contactors LES Construction Services.
31. Our insurance company carry out lift inspections on a 6 monthly basis and reports are then submitted to the company with remedial action identified and timescales for completion. In addition to this a program of refurbishment is currently being developed by the Asset Management team.

32. In the period from January to March 2012 we have completed the refurbishment of the even numbered lifts at St Cuthberts Court.

Update on Health and Safety Legislation Changes

33. Since the last Committee meeting, two key legislative changes have taken place that will have an impact on TGHC.

- Control of Asbestos Regulations 2012 and
- Reporting Accidents and Incidents at Work 2012.

34. The main change in the 2012 Reporting Accidents and Incidents at Work was implemented from 6 April 2012 as follows: -

- The over three day reporting requirement for people injured at work has changed to more than seven days. We now only have to report injuries that lead to a worker being incapacitated for more than seven consecutive days as the result of an occupational accident or injury instead of three.

35. The changes to the Control of Asbestos regulations have been outlined earlier in the report.

Links to Values

36. This report links to the following company values: -

- Being honest, accountable and transparent
- Being motivated, trained and committed across the company
- Being caring and respecting
- A commitment to all our employees
- Embracing equality.

Impact on Customers

37. The improvements identified and actions carried out will help us to provide healthy and safe environments for employees, residents and members of the public. Improvements carried out to multi-storey blocks and communal lounges will also increase accessibility to our services. This is in line with the aims to ensure compliance with a range of statutory regulatory requirements.

Risk Management Implications

38. Not meeting the requirement of current and new Health and Safety legislation has been identified as an operational risk for the company.

Financial Implications

39. The Director of Corporate Services confirms that a budget is available to support the activities mentioned in this report through revenue or capital budgets.

Equality and Diversity Implications

40. Detailed Equality Impact Assessments are carried out on all Health & Safety policies and procedures to ensure that they do not adversely impact on any customers.

Value for Money Implications

41. Value for money principles are followed in all health and safety activity.

Health Implications

42. The company's approach to Health and Safety, embedded within everything that we do and the actions specifically mentioned within this report, ultimately will have a positive impact on people's health and overall wellbeing. By working to ensure that any services we provide meet the needs of the customers and of employees and do not cause undue stress to either party.

Environmental Implications

43. The work detailed in this report will be carried out to ensure we meet our ISO 14001 standards and principles. We will make choices that reflect our social responsibility to improve the environment in which we work and live.

Consultation carried out

44. The programme of work has been developed in consultation with Tyne and Wear Fire and Rescue Service (TWFRS) and managers.

Recommendation

45. The views of the committee are sought on whether the committee is satisfied with the update on health and safety activities and developments.



Report to Resources and Audit Committee

10 May 2012

Title: Equality and Diversity - Update

Report of: Director of Corporate Services

Purpose of Report

1. To provide an update on equality and diversity work within the organisation for the last quarter of 2011/12.

Background

2. The company continues to place equality and diversity at the heart of everything it does with one of the values being 'embracing equality'.
3. Since 2008 the Single Equality Scheme has acted as the overarching document for the company's work on equality, bringing together a number of plans to provide a clear outline for Board members, employees and customers.
4. The scheme is based around three main goals: -
 - Maintaining a corporate commitment to equality issues
 - Working in partnership with customers and stakeholders to deliver equitable services
 - Being an equal opportunities employer with a representative workforce
5. The Equality Act introduced in October 2010 places a number of requirements on organisations to demonstrate what they are doing to eliminate discrimination and promote equality of opportunity. The committee has received guidance at previous meetings on the requirements of the Act.

Summary

6. There are a number of activities that have taken place within the last quarter including the following:

Supporting local communities

7. In February, the company was represented at a Polish community event held at Gateshead Leisure Centre to inform and engage with Polish residents on a range of issues. This included accessing employment, benefits and access to housing. Specifically a number of queries were addressed at this event both in terms of

people applying to be on the housing register and also advising people currently on the register how to apply.

Employee Training

8. In the last report, it was noted that a pilot training session on LGBT awareness was due to take place to help employees deal effectively with lesbian, gay, bisexual and transgender customers and employees.
9. The pilot session took place in March 2012 and the Involvement and Diversity Manager and Staff Development Officer are due to attend a further session provided by the NHS to look to develop a training package to be rolled out more widely. It is intended that at this years Northern Pride Festival, we will use the opportunity to collect case studies from LGBT people on their experiences of services, both positive and negative to support the training.
10. In addition, in February a representative of the Rent and Income team attended a 'Mindful Money Day' hosted by Washington Mind focussing on the harmful impact debt can have on mental health. As a result, links have been developed with Tyneside Mind with the opportunity to consider rolling some similar training out to the rest of the rent and income team at a future date.
11. Finally, within the last quarter training was agreed to be rolled out to all employees covering Diversity, Respect and Dignity Awareness through a half day interactive session. This training commenced in April 2012.

Stonewall Workplace Equality Index

12. In the previous report, it was noted that the housing company had been placed 212 out of 363 organisations in the Stonewall workplace equality index. This demonstrated an improvement on our performance in 2011.
13. Since receiving this result, we have received more detailed information about our performance in this index. This highlighted our high performing areas were: -
 - Having a Single Equality Scheme acting as a comprehensive overarching document to ensure equality and diversity is at the heart of our work as an employer and service provider.
 - Equality impacts assessments carried out on any new policies specifically consider whether there is any impact based on sexual orientation
 - All employees being required to carry out the e-learning equality and diversity training as a minimum when they start working for the company and at least every 3 years thereafter.
 - Procurement practices in our latest retender for the Repairs and Maintenance contract including specific requirements for responding to vulnerable customers as well as a requirement for the new contractor to regularly train their employees to ensure that they follow the values set out by the housing company.
14. There were some areas for improvement highlighted for consideration including: -

- Including specific examples of what type of behaviour could constitute bullying within the policy, for example homophobic behaviour, racist remarks so that employees are clear what they are able to report and challenge.
 - Analysis of employee monitoring information – it was noted that in our submission although we breakdown the workforce by sexual orientation, we should also look to identify if there are any trends in the recruitment process from application through to appointment. However it is also acknowledged that due to the small numbers involved in recruitment exercises, this is unlikely to highlight trends. In this case however information should still be collected so that it can be analysed if necessary.
 - Staff attitude surveys – Although the company has carried out a staff attitude survey and health and wellbeing survey within the last year, monitoring information on sexual orientation was not collected as part of this process. As a result we are unable to analyse whether employees are more or less satisfied at work, or more at risk of stress or ill health based on their sexual orientation. It was recommended that these questions should be included in any future exercises.
15. Each recommendation contained within the benchmarking report will be considered to see if it is possible to implement them in preparation for our submission next year.

Implications of Human Rights

16. In the last report to this committee it was noted that we would consider the document published by the Equality and Human Rights Committee, 'Human Rights at Home' to understand the impact of the Human Rights act on us as a social housing landlord.
17. There is currently limited published information on how other organisations have used or interpreted the Human Rights Act within their work. We are however currently awaiting information requested via our critical friend support from Richard Seager and Joanna Jeffery on the impacts of the act on other similar housing organisations. They have requested this information from John Thornhill at the Chartered Institute of Housing and we will continue to monitor and pursue this area of work to ensure we are meeting our requirements.

Knowing our customers

18. We continue to use existing methods available to us to collect and update the information we hold on our tenants and leaseholders. This helps us to deal more responsively with individual tenants through an understanding of their needs and the most appropriate way of communicating with them.
19. In addition to this, the overall data we hold helps us to monitor satisfaction with services, measure take up of services and understand how different groups may be affected by decisions we take.
20. The level of information held is a key performance indicator for the company recognising the importance placed on us having comprehensive and up to date information. In this quarter we have updated customer records on around 1,459 occasions the majority of which have been updated via the HomeChoice application, signups or telephone conversations. Updates can include contact details, communication preferences and language requirements.

21. As of 31 March 2012, the profile of our main tenants (20355 tenancies) was: -
- 57.79% female
 - 2.53% BME with the highest proportion being Black African.
 - 28.01% of households have someone with a disability living in them, with the most common being mobility issues
 - 3.99% of tenants are under 25, 17.44% are over 75
22. We have collected 21.39% of sexuality information and 23.7% religion, and continue to collect this through the ways detailed previously. As the level of information held increases, this will help us to look at where satisfaction with services or take up of services may differ based on people's protected characteristics.
23. In May 2012, the prepopulated version of the 'Tell us about you' form will be reissued to all tenants to encourage people to keep their records with us up to date.

Equality Objectives

24. One of the specific duties set out within the Public Sector Equality Duty was for listed organisations to publish equality objectives by April 2012. As a member of Gateshead Council's Corporate Equality Group, we will identify some of the council's published objectives that we are able to support them to achieve.
25. The draft objectives are due to be presented to Gateshead Council's Cabinet on 28 May, after which we will develop the company's specific objectives and set out how we will work to support the council.

Link to values

26. This report relates to the following company values: -
- Being a listening and learning organisation
 - Being motivated, trained, and committed
 - Being customer focused, innovative and professional
 - Caring and respecting
 - Embracing equality
 - A commitment to all our employees.

Impact on tenants

27. Through a focus on equality and diversity being at the heart of our services, it ensures that we provide services based on a sound understanding of the needs and priorities of our customers.

Risk Management Implications

28. Not meeting the requirements of current and new diversity legislation has been identified as an operational risk for the company, which if breached could lead to significant financial loss and risk of reputation.

29. The Involvement and Empowerment Standard within the TSA's regulatory framework includes a specific section relating to understanding and responding to diverse needs. The approach taken through our single equality scheme ensures that we continually address these requirements in the way we deliver services across the company.

Financial Implications

30. The Director of Corporate Services confirms that any costs arising from this report can be met from existing budgets. Any other financial implications will be reported to this committee.

Equality and Diversity Implications

31. The Single Equality Scheme provides a focus for our approach to being an equal opportunities employer and service provider, promoting equality in relation to access to goods, facilities and services and helping us to ensure that no individual or group experiences direct or indirect discrimination.

Value for Money Implications

32. The actions outlined in this report help us to understand the specific needs of our customers and employees and respond accordingly.
33. This ultimately results in value for money savings through getting things right first time rather than having to make costly changes at a later date, or by providing services that our customers or employees do not need.

Health Implications

34. The company's approach to equality and diversity, embedded within everything that we do will ultimately have a positive impact on people's health and overall wellbeing. This is by working to ensure that any services we provide meet the needs of the customer or employee and do not cause any undue stress.

Environmental Implications

35. There are no direct environmental implications arising from this report.

Consultation carried out

36. Consultation with employees, customers and stakeholders took place during the development of the Single Equality Scheme and the subsequent review of Equality and Diversity in 2010.

Recommendation

37. The views of the committee are sought on the progress activity relating to equality and diversity carried out in last quarter



Report to Resources and Audit Committee

15 February 2012

Title: 2011/12 Internal Audit Update – Progress Report

Report of: Chief Internal Auditor, Gateshead Council

Purpose of Report

1. This report outlines progress made by the Internal Audit Service against the audit plan for the financial year 2011/12.

Summary

2. The Audit Plan for 2011/12 was agreed by this Committee on 28th April 2011. Progress against the plan is detailed in Appendix 1. To date, 22 audits have either been completed or have had a draft report issued, 3 audits are currently in progress and 1 audit has been deferred to be completed as part of the 2012/13 plan. As at 31 March 2012, 109% of the audit plan in terms of actual audit days against planned days was achieved by the Internal Audit Service.

Link to values

3. This report links to the following company values: -
 - Being honest, accountable and transparent
 - Being motivated, trained and committed.

Impact on tenants

4. No impact directly from this report.

Risk Management Implications

5. The perceived risk of each audit is based on a twelve point assessment taking into account such areas as materiality, complexity of the system, potential for fraud and sensitivity. Based on a score derived from the assessment, audits are categorised as high, medium and low priorities. This informs the frequency in which audits will be carried out.

Financial Implications

6. The cost of the internal audit work plan is fully provided for in the 2011/12 budget.

Equality and Diversity Implications

7. There are no Equality and Diversity implications associated with this report.

Value for Money implications

8. The delivery of the 2011/12 audit plan and the implementation of internal audit recommendations will assist in identifying efficiencies and achieving value for money.

Health Implications

9. There are no Health implications associated with this report.

Environmental Implications

10. There are no Environmental implications associated with this report.

Impact on Customers

11. Implementation of the recommendations will provide our customers with a better service in terms of customer care.

Consultation carried out

12. The audit plan was developed following consultation with all relevant stakeholders within the company.

Recommendation

13. The views of the committee are sought on progress made by the Internal Audit Service against the audit plan for the financial year 2011/12.

	Internal Audit Plan 2011/12	Planned Days	Planned Report to Committee	Progress at April 2012	Opinion
	CORPORATE SERVICES				
1	MAIN ACCOUNTING	5	Jul-11	Final Report Issued	Operating Well
2	HOME REWARDS	9	Jul-11	Draft Report Issued	
3	HUMAN RESOURCES	9	Jul-11	Final Report Issued	Satisfactory
4	COMMUNICATIONS	8	Jul-11	Final Report Issued	Satisfactory
5	RENT COLLECTION	9	Oct-11	In Progress	
6	BUSINESS CONTINUITY ARRANGEMENTS	4	Oct-11	Deferred until 2012/13	
7	CREDITORS	7	Oct-11	In Progress	
8	COMPANY PAYROLL	7	Oct-11	In Progress	
9	BUDGET SETTING AND MONITORING	5	Oct-11	Final Report Issued	Operating Well
10	PERFORMANCE FRAMEWORK	7	Oct-11	Final Report Issued	Operating Well
11	COUNTER FRAUD ARRANGEMENTS	11	Oct-11	Draft Report Issued	
12	PROCUREMENT	5	Jan-12	Draft Report Issued	
13	COMPLAINTS	7	Jan-12	Final Report Issued	Operating Well
14	IT AUDIT	16	Jan-12	Draft Report Issued	
15	DATA SECURITY & INFORMATION GOVERNANCE	8	Jan-12	Final Report Issued	Satisfactory
16	GOVERNANCE	5	Apr-12	Final Report Issued	Operating Well
17	CORPORATE IT	1	Apr-12	Final Report Issued	No Opinion
	HOUSING MANAGEMENT				
18	VOID MANAGEMENT	9	Oct-11	Final Report Issued	Satisfactory
19	TENANCY ALLOCATION AND LETTINGS	11	Oct-11	Final Report Issued	Operating Well
20	HOUSING ESTABLISHMENTS	12	Jan-12	Final Report Issued	Satisfactory
21	RENT ARREARS	16	Jan-12	Final Report Issued	Satisfactory
	KEELMAN HOMES				
22	KEELMAN HOMES	13	Jan-12	Draft Report Issued	
	PROPERTY & TECHNICAL				
23	GAS SERVICING	5	Jan-12	Final Report Issued	Satisfactory
24	ASBESTOS	9	Jan-12	Final Report Issued	Satisfactory
25	CAPITAL PROGRAMME	11	Apr-12	Final Report Issued	Operating Well
26	REPAIRS	11	Apr-12	Final Report Issued	Satisfactory
	GENERAL				
	COMMITTEE TRAINING	4			
	CONSULTANCY & GENERAL ADVICE	8			



Report to Resources and Audit Committee

10 May 2012

Title: Forward Plan

Report of: Chief Executive

Purpose of report

1. To approve a forward plan of reports which will be presented to Resources and Audit Committee during the next year.

Background

2. The committee agreed, at its meeting held on 27 January 2011 that a forward plan of reports it will receive at future meetings become a standing item on every committee agenda.
3. Attached as an Appendix to this report is a forward plan of reports that will be presented to meetings of this committee during the next year. This will not be an exhaustive list of reports and there will clearly be a number of other items of business that the committee will be required to consider during the course of the next year. It will however give the committee an idea of forthcoming business. It will also assist officers when planning in business and meetings to avoid when there is a lot of business.

Link to Values

4. This report relates to the following company value of being honest, accountable and transparent.

Risk Management Implications

5. The forward plan will mitigate the risk of reports not being planned into the committee cycle.

Value for Money Implications

6. There are no value for money implications directly arising from this report.

Equality and Diversity Implications

7. Equality and diversity implications will be addressed separately in future reports.

Financial Implications

8. There are no financial implications directly arising from this report.

Health Implications

9. There are no health implications directly arising from this report.

Environmental Implications

10. There are no environmental implications arising from this report.

Consultation carried out

11. Lead officers within the company have identified reports for future meetings of this committee.

Impact on Customers

12. There is no impact on customers as a result of compiling this report.

Recommendation

13. It is recommended that the forward plan be noted.

Resources and Audit Committee Forward Plan

Resources and Audit Committee	Issues to be discussed
July 2012 (date still to be agreed)	<ul style="list-style-type: none"> • Draft Directors' Report and Financial Statements – 2011/12
October 2012 (date still to be agreed)	<ul style="list-style-type: none"> • Equality and Diversity Annual Report
February 2013 (date still to be agreed)	<ul style="list-style-type: none"> • Budget 2013/14
<p>The following reports are taken to every meeting: -</p> <ul style="list-style-type: none"> • Operational Risk Register (different directorate at each meeting) • Management Accounts • Sickness Absence and HR Update (including learning and development) • Health and Safety Update • Equality and Diversity Update • Internal Audit Reports (always confidential) 	