



## RESOURCES COMMITTEE

10 September 2013

### PRESENT:

#### Directors

John Hamilton (Chair)  
Sheila Bouitieh  
Robert Buckley  
George Clark  
Mick Davison  
Paul Foy

#### Advisers

Jon Mallen-Beadle	Managing Director
Neil Bouch	Director of Customers and Communities
Natalie Hewitt	Head of Corporate Services
Phil Gallagher	Head of Investment and Development
Kevin Johnson	Head of Customer Services
Louise Taylor	Equality and Diversity Manager
Stuart Gibson	Governance and Risk Officer

#### Apologies

Kathryn Ferdinand

### 11 DECLARATIONS OF INTEREST

No declarations of interest were declared.

### 12 SHEILA BOUITIEH

Sheila Bouitieh was welcomed to her first meeting of the committee since her appointment as Tenant Director.

### 13 MINUTES

The minutes of the last meeting of the committee held on 7 May 2013 approved as a correct record subject to the following amendment to the first sentence of Minute 5 – Health and Safety Update

“The committee received a summary of *health and safety* work within the organisation for the fourth quarter of the year”

## 14 MANAGEMENT ACCOUNTS – FIRST QUARTER 2013/14

The committee received an update on the management accounts for the first quarter 2013/14 including the income and expenditure in relation to both revenue and repairs.

The Council agreed to pay the company fees totalling £33.61m for the 2013/14 financial year. This consists of £12.833m for the management fee and £19.127m for the repairs fee, £1m for the Company to manage the capital programme and a rent and performance fee expected at £650,000.

The Company has also budgeted to receive £113,000 in income in 2013/14 in relation to rent at Keelman House, management fees for managing other properties and additional fees for Welfare Reform Advisors.

The total revenue budget for 2013/14 is therefore £14.596m and the repairs budget £19.127m.

The proposed budget, similar to the prior year, includes a review of current vacancies and by including some of these in the budget at zero cost a budget deficit of £4,622 has been set. The Company would expect to bring this deficit back in line during the year.

The 2013/14 repairs fee has been agreed as a decrease on the 2012/13 fee to reflect the 3% savings proposed in the Mears tendered price as a result of efficiencies.

The management accounts revenue for the first quarter shows an underspend for the year of £22,000. This is mainly due to slippage on salary costs where posts have not yet been filled in some services due to restructures currently taking place.

The management accounts repairs is underspent based on forecasted budget to date, however, the Company is projecting that the full budget will be spent by the year end. Income is matched against expenditure in repairs, so no underspend is shown. The current underspend against forecast is mainly due to timing differences in repairs invoices being received and processed due to the interface between computer systems.

There has, however, been a significant increase in the number of orders raised for work to vacant properties in the first quarter this year (488) compared to the same period last year (325). A contributing factor to this additional workload is an increase in tenancy terminations as a result of welfare Reform changes. The Company has not yet received all of the void invoices but there is the potential for the budget to overspend in year if this increase continues. Discussions have been held with the Council around how any over spend will be funded and void expenditure is being closely monitored.

The Committee scrutinised the accounts in detail and expressed some concerns about areas where the Company had overspent and the financial impact of Welfare Reform. The Managing Director gave them a reassurance that the budget would balance by the end of the year. The committee would however continue to closely scrutinise the accounts at every meeting.

- RESOLVED – (i) That the management accounts for the first quarter 2013/14 be noted.
- (ii) That Officers be provided more detailed information in relation to the repairs budget in future reports.

## **15 SICKNESS ABSENCE AND HUMAN RESOURCES UPDATE**

The committee received an update on general HR initiatives and developments for the period April 2013 to June 2013.

The total sickness absence for the period equates to 1.63 days per person compared to 3.01 days for the same period last year which is a reduction of 45.85%.

Short term absence is defined as a period of less than 15 working days in duration and long term absence is greater than 15 days in duration. Short term absence for the period was 0.83 days per person and long term absence was 0.80 days. This compares with 0.87 days short term absence and 2.14 days long term absence for the same period last year. This represents a reduction of 4.60% in short term absence. Long term absence has decreased by 62.62%.

The biggest cause of absence was post operation recovery with 164.6 days lost compared to 197 days lost last year. This is a decrease of 16.45%.

Stress related absence was 35.8 days for the period compared to 393.6 for the same period last year. This equates to a 90.9% reduction. There was no reported stress absence in April 2013 and this is a clear indication that the Company's health and wellbeing initiatives are effective in reducing absence caused through stress.

The Company has held six short term sickness absence review meetings in the period, which resulted in two employees being issued with first written cautions and one employee being issued with a second written caution.

In the period, two employees attended an occupational health physician's appointment as a result of absence review meetings, seven cognitive behavioural therapy (CBT)/counselling sessions were supported by the Company, eight employees were referred to occupational health for an initial assessment, 12 employees attended an occupational health review and two employees returned to work on phased hours and duties in the period.

Details of health and wellbeing initiatives, work life balance applications, recruitment and the Child Care Scheme during the period were reported.

The Employee Care service provides employees with 24 hour health and wellbeing services including counselling, legal and financial information 365 days a year. The scheme costs £1,231.20 per year based on the employee headcount. Monitoring indicates very low usage of the scheme by employees which has been widely promoted. The Company has consulted with trade unions and employees and will be ending the scheme in October 2013. Employees will receive the support they need through health and wellbeing

advocates who have been trained to offer confidential advice and signposting to relevant services.

Details of learning and development activity during the period were reported. These included diversity, dignity and respect awareness, customer service training, needle stick and bodily fluids training, safeguarding training needs analysis, ICT and health and safety training and qualifications.

- RESOLVED –
- (i) That the information be noted.
  - (ii) That the committee receive a report on the apprenticeships scheme with Mears at its next meeting.
  - (iii) That the committee place on record its thanks to employees involved in achieving the significant reduction in sickness absence and that this be publicised in the Company's newsletter.

## **16 HEALTH AND SAFETY UPDATE**

The committee received a summary of health and safety work within the organisation for the first quarter of the year.

The Asbestos Management Plan and policy have been reviewed to ensure compliance with legislation and learning from reported incidents. Training has been provided to ensure compliance with changes.

The asbestos policy has been reviewed and awareness training has been to Mears operatives. The Company continues to monitor and review all asbestos incidents and work closely with Mears Safety Advisors for continued compliance and safe systems of working.

The system for recording of accidents and incidents has been updated to an online system which has been launched to all employees. Accidents reported in the period shows an increase and this may be attributed to awareness raising of the reporting system.

In the period there has been three minor accidents and two near misses reported. There have also been 11 minor incidents, one near miss and one reportable accident reported to 3<sup>rd</sup> party/sub-contractors. All accidents and reported violent incidents have been investigated and follow up action taken to include a review of safe systems of work.

During the period there have been nine cases of verbal abuse and seven cases of threatening behaviour. There was one case of verbal abuse to a 3<sup>rd</sup> party/sub-contractor.

During the period the Council has carried out an internal audit of the asbestos management process. The final audit report and recommendations will be released in quarter two.

An inspection regime is being developed for multi-storey buildings to regularly monitor the condition of known Asbestos Containing Materials. During the period there were four reported incidents of accidental disturbance of

Asbestos Containing Materials. Action has been taken with partners to mitigate further risk and prevent reoccurrence.

The Housing Fire Safety Strategy continues to be monitored with Tyne and Wear Fire and Rescue Service (TWFRS). During the period working protocols between TWFRS and TGHC have been reviewed.

Fire safety improvement works to 19 Multi Storey Blocks have now been completed. Fire Risk Assessments for these locations will be updated and a copy of the risk assessments issued to TWFRS.

The Fire Safety improvements works in sheltered housing has commenced. McErlane Square, Harrison Court and Birtley Villas are the first schemes benefiting from the improvement works.

During the period no positive Legionella tests were reported. 49 premises have had a Water Hygiene Risk Assessment. The remaining 25 premises will be completed in the second quarter. Routine water sampling of 74 premises will commence in quarter two to verify the effectiveness of the water hygiene monitoring.

In respect of lift maintenance, no relevant immediate actions reported during the period. There were 12 reported lift entrapments and passengers were released with the agreed service standard response time.

There are 12 construction related projects ongoing with notifications to the HSE. During the period all working sites have been visited and were found to be working to agreed site rules and regulations.

- RESOLVED – (i) That the information be noted.
- (ii) That future reports provide more details where an employee has been verbally abused or been subjected to threatening behaviour.

## **17 EQUALITY AND DIVERSITY ANNUAL REPORT 2012/13**

The committee received the draft Equality and Diversity Annual Report 2012/13. The report covers a number of areas including:

- Information on the legislation and regulation on equality and diversity
- Highlights of our activities during each quarter of 2012/13
- Information on our progress towards the goals set out in the Single Equality Scheme
- Monitoring information relating to our customer profile, satisfaction information and employee information
- Our focus for equality in 2013/14

Once approved, the report will be designed and made available on the Company's website and issued on request.

- RESOLVED – (i) That the draft Equality and Diversity Annual Report 2012/13 be approved, subject to some minor amendments.

- (ii) That the report be made available on the Company website.

**18 DATE AND TIME OF NEXT MEETING**

The next meeting of the committee will be held on Tuesday 5 November 2013 at 2pm in Board Room 2, Keelman House, Fifth Avenue Business Park, Fifth Avenue, Team Valley, Gateshead.

**19 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 Company's Access to Information Rules.