



The Gateshead Housing Company Assets, Development & Investment Committee

Thursday, 17 October 2013 at 2pm
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
3.	Membership To note the appointment of Helen Hall onto the committee
<u>ITEMS FOR DECISION</u>	
4.	Minutes (Pages 3-7) To approve as a correct record the minutes of the last meeting of the committee held on 20 June 2013
5.	Matters Arising
<u>ITEMS FOR INFORMATION</u>	
6.	Asset Strategy 2013-18 (Pages 8-10) Report of Director of Customers and Communities and presentation by Asset and Procurement Manager

Item	
7.	Response to DECC Consultation (Pages 11-15) Report of Director of Customers and Communities
8.	Affordable Warmth Scheme for Leaseholders (Pages 16-19) Report of Director of Customers and Communities
9.	2013/14 Capital Update – End of Second Quarter (Pages 20-26) Report of Director of Customers and Communities
10.	Repair and Maintenance Contract – First Quarter Review 2013/14 (Pages 27-48) Report of Director of Customers and Communities
11.	Forward Plan (Pages 49-51) Report of Director of Customers and Communities
12.	Items for Future Meetings
13.	Date and Time of Next Meeting Thursday 13 February 2014 at 2pm in Board Room 1 at Keelman House, Fifth Avenue Business Park, Team Valley, Gateshead
14.	Exclusion of the Press and Public The committee may wish to make a resolution to exclude the press and public from the remaining business in accordance with Category 4 of the Company's Access to Information Rules



ASSETS, DEVELOPMENT AND INVESTMENT COMMITTEE

20 June 2013

PRESENT:

Directors

Paul Foy (Chair)
Joanne Carr
Pauline Dillon
Peter Mole
Gordon Spring

Advisers

Neil Bouch	Director of Customers and Communities
Kevin Johnson	Head of Customer Services
Phil Gallagher	Head of Investment and Development
Simon Chrisp	Asset Manager
Alan Sandey	Customer Asset & Procurement Officer
Phil Hogg	Repairs Service Manager
Stuart Gibson	Governance and Risk Officer

Apologies

Eileen Gill

1 MEMBERSHIP

The appointment of Eileen Gill onto the committee was noted.

2 ASSET MANAGEMENT STRATEGY

The committee received a presentation from Simon Chrisp, Asset Manager on the Asset Management Strategy.

In particular, an executive summary, strategic housing objectives, the local context, stock age profile, types and construction, non-traditional stock, funding, the asset cycle, additional priorities and challenges, learning and involvement and delivering the plan were highlighted.

RESOLVED – That the presentation be noted and the committee receive a draft Strategy at its next meeting in October 2013.

3 MINUTES

The minutes of the last meeting of the committee held on 5 March 2013 were approved as a correct record.

4 MATTERS ARISING

(a) Site Visit

The site visit to key aspects of the housing stock in Gateshead, including McErlane Square will be fixed for a half day during the weeks commencing 1 and 8 July 2013.

(b) Energy Performance Heating Scheme and Improvements to Multi-Storey Blocks

Tenders are being invited on 3 July 2013.

5 LIFT REFURBISHMENT PROGRAMME 2013-14

On 7 February 2012, Gateshead Council's Cabinet approved a five year Housing Capital Investment Programme for the financial years 2012/13 to 2016/17. One of the headline scheme budgets was an annual lift replacement and/or refurbishment programme with a budget provision of £250,000 in year 1 increasing to £500,000 for the four years thereafter.

The programme is focused on those lifts that had been identified as in greatest need of replacement or refurbishment through inspection reports and repair data. Lift replacements at Adelaide, Brisbane and Melbourne Court were planned to span 2012/13 and 2013/14 programmes. In addition a lift replacement scheme is on site at Pleasant Place. Work at these schemes is expected to be complete by the end of July 2013.

The current contract for lift maintenance is with Stannah Lift Services Limited. Through the agreement with Stannah, all lifts receive a cyclical service as well as a periodic inspection, by the insurers (Zurich), to ensure correct operation and to identify any areas of concern.

The Company with the assistance of Stannah are reviewing lift stock condition information in order to ensure that the indicative budgets over the next four years within the investment programme are accurate and that the capital budget remains targeted at lifts in greatest need, in order that a planned approach to refurbishment or replacement is taken.

Whilst this work continues, the Company are keen to ensure that the works identified as a priority following previous inspections are carried out during the remainder of 2013/14 and by exception, the continued employment of Stannah Lift Services Limited to deliver the remaining 2013/14 investment programme is proposed.

A copy of the work currently being delivered and the works proposed for 2013/14 was submitted.

The information and recommendations that the Company currently receives following maintenance inspection reports advise of remedial action but do not provide full condition information or highlight where future investment works may arise. In order to ensure that the Company provides an effective and proactive lift maintenance and improvement programme, it is proposed that a

procurement exercise to appoint a lift consultant to provide full condition surveys on all lifts commences.

- RESOLVED –
- (i) That by exception, Stannah Lift Services Limited deliver the planned 2013/14 lift investment programme.
 - (ii) That the commencement of a procurement exercise to engage a lift specialist consultant to assist with full condition surveys to inform the remainder of the 2012/13 – 2017/18 capital funding cycle be approved.
 - (iii) That an update on lift improvement works for 2014/15 through to 2016/17 in advance of the procurement of a contractor be received.

6 FIRE SAFETY IMPROVEMENTS TO SHELTERED SCHEME

The fire safety improvement works investment programme commenced with multi storey properties in 2011. Following this scheme fire safety improvement work to the Sheltered Scheme properties has commenced in order to address the areas identified through the annual risk assessments conducted by the Company and Tyne & Wear Fire and Rescue Service (TWFRS).

Using the TWFRS risk assessments the Company and its principal contractor Local Environmental Services (LES) have conducted bespoke surveys of the sheltered schemes where deficiencies have been identified. The survey results have been collated and used to form the basis for the scope of works (SOW) for delivery by LES.

As McErlane Square was part of a separate programme to carry out rewiring and communal door upgrades, the fire safety works to this scheme has been brought forward to minimise the disruption for residents.

The next scheme to receive works will be Harrison Court. Specifications and pilot installs of measures have been completed and the programme of work commenced on 10 June 2013.

The Company is currently finalising a contract programme from LES for the remaining schemes. The work will be programmed to be completed by the end of March 2014. Details of the sheltered schemes that will receive works were submitted.

The budget for these works is £500,000 and is part of the Housing Capital Investment Programme for 2013/14.

RESOLVED – That the information be noted.

7 CAPITAL UPDATE

The committee received an update on the delivery of the capital programme for 2012/13 and 2013/14.

The concealed flue appliance works were delivered through the delivery partner LES.

The Equality Act works to communal lounges and multi-storey flats required original designs to be re-visited and this work was carried out by Design and Enterprise at Gateshead Council with estimates produced by LES. The first scheme at McErlane Square commenced in May 2013. A full programme of works has been established to ensure completion in 2013/14.

Replacement of the communal electrics at Melbourne and Brisbane Courts commenced in March 2013.

The first two tranches of 2012/13 maintaining decency work are scheduled for completion in July 2013.

The window replacement programme was successfully delivered. Resources also allowed for the inclusion of a reserve scheme which resulted in window replacement work at an additional 37 homes.

Insulation works to 104 “Wimpey No-fine” properties at High Fell A are complete with the exception of some minor snagging. A similar scheme to the 74 Dorran type non traditional properties in High Fell B (Blackhill Crescent) is also nearing completion.

Warden Call upgrades delivered by Tunstall are currently on-going at a number of sheltered schemes.

Refurbishments to various acquired properties have been progressing since the end of last year. At Stoneygate work to convert a former community building to two semi detached properties is complete.

An additional 324 homes have benefited from new A rated boilers via the ‘one-off heating replacement’ budget. These works were identified and carried out through the gas servicing contract with Mears.

In respect of the 2013/14 Capital Programme, the Company has worked closely with the partners on the 2013/14 programme to ensure the programme was mobilised early, avoiding the risk of slippage.

Details of other schemes in progress were also reported.

RESOLVED – That the information be noted.

8 REPAIRS AND MAINTENANCE CONTRACT – REVIEW OF FIRST YEAR

The committee received a review of the first year of operation of the repair and maintenance contract with Mears.

Given the condensed mobilisation period for this contract and the unforeseen service issues caused by the severe floods of June, August and September 2012, the first year of operation can be viewed very positively. There was no gap in service as Mears took over from the previous contractor and although there were teething problems with some systems (such as a new appointment booking system) solutions were sought and implemented during the year.

Levels of satisfaction were maintained at a high level and although there are naturally a number of complaints about a repair service, there has also been much positive feedback from customers and from Ward Councillors.

Performance targets were not achieved across the full year, but there were significant improvements during the year with much better performance in the final quarter. This gives some confidence that performance will continue to improve in the second year of the contract. Although achieving two-hour appointment slots is much more difficult than achieving am or pm slots, performance targets were kept at much the same levels as for the final year of the previous contract.

A contract review document for the year which was jointly produced by service managers from Mears and the Company was submitted.

Further updates on repairs and maintenance performance will be brought to this committee during the year.

- RESOLVED – (i) That the committee is satisfied with progress on the management of the repair and maintenance contract with Mears in its first year.
- (ii) That the committee receives a quarterly update on repairs and repairs performance.

9 DATE AND TIME OF NEXT MEETING

The next meeting of the committee will be held on Thursday 17 October 2013 at 2pm in Board Room 1 at Keelman House, Fifth Avenue Business Park, Team Valley, Gateshead.



Report to Assets, Development and Investment Committee

17 October 2013

Title: Asset Strategy 2013 -18

Report of Director of Customers and Communities

Purpose of Report

1. To update the committee on progress with the development of the Asset Management Strategy 2013-18.

Background

2. The Asset Management Strategy lays out the company approach to the management of the assets that we are responsible for. Planning investment and renewal in line with Council, customer and stakeholder priorities.
3. Our assets are the properties that we manage and all the individual elements that form them. The strategy considers our responsibilities for maintaining the properties in line with the decency standard along side our health, safety and statutory obligations.
4. Considering the local context of Gateshead and the housing profile the strategy lays out our approach to investing in the stock. Highlighting the expected challenges and priorities that will be faced over the life of the strategy.

Current position

5. The asset strategy document has been drafted in preparation for discussions with stakeholders. An outline of the document will be provided to this committee by way of a presentation.
6. The proposed consultation groups are listed below. It is intended to run the consultation exercises as focus groups. Running through the strategy to seek the opinions and comments of all stakeholder groups.

Stakeholder Group	Key Areas for consultation	Timescale for consultation
Officers	Service relevant areas	October 2013
Asset, Development & Investment Committee	Full strategy	November 2013
Customers	The housing stock	November 2013

	Funding Priorities for customers Stock condition Asbestos Performance Management	
Leaseholders	The housing stock Asbestos Stock condition Performance Management	November 2013
Council Officers	Full strategy	November 2013

7. Once the consultation is complete the strategy will be finalised, taking account of all feedback and opinions. The completed strategy will then be published in January 2014.

Links to Values

8. This proposal 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

Impact on tenants

9. The Asset Management Strategy will help inform the company approach to investment in the housing stock. Prioritising areas for investment and regeneration.
10. Improvements in the stock will maintain the properties in line with the decency standard. Assisting customers to avoid fuel poverty and ensuring that homes are managed and maintained to a high standard

Risk Management

11. Failure to appropriately plan for investment in to the housing stock could result in properties falling in to disrepair. Exposing the company to potential litigation and legal challenge.

Health Implications

12. Investment in the housing stock will reduce the opportunities for customers to experience cold or damp homes. This will help reduce the risk of customers suffering heart, stroke, respiratory and cold-related illnesses.

Financial Implications

13. Financial provision is made in Gateshead Councils Capital Budget for the delivery of the Asset Management Strategy.

Equality and Diversity Implications

14. The strategy will ensure that the managed stock is accessible and safe. Helping customers access the full potential of their homes while living independently.

Value for Money Implications

15. There are no direct VFM implications arising from this report. Financial efficiencies will be sought annually through the delivery of the investment programme and the review of products and materials

Environmental Implications

16. Improvements to non traditional properties and the installation of more A rated efficient boilers will enhance the thermal quality of homes reducing CO2 emissions in the borough.

Consultation

17. Consultation on the Asset Management Strategy will be carried out during October and November.

Recommendations

18. The committee is recommended to note the contents of this report and agree a mutually convenient date in November for a review of the Asset Management Strategy and its priorities.



Report to the Assets, Development and Investment Committee

17 October 2013

Title: Response to DECC Consultation

Author: Director of Customers and Communities

Purpose of Report

1. To endorse the response to a recent Department of Energy and Climate Change (DECC) consultation on updates to Electricity & Gas (ECO) Order 2012.

Background

2. The Energy Company Obligation (ECO) which was formally launched in January 2013, placed a legal obligation on energy suppliers to deliver ambitious carbon savings and heating cost reductions by March 2015. The ECO Order is the Statutory Instrument which sets out the legal requirements applying to obligated energy suppliers in delivering their carbon and notional bill saving obligations.
3. ECO grant funding will be targeted to improve affordable warmth, by boiler repair and replacement (fuel poverty) and reduce carbon emissions by insulating “hard to treat” solid walled properties. The Government's main aims are to tackle fuel poverty, reduce carbon emissions, create jobs and to stimulate the low carbon economy.
4. The consultation proposes six small amendments to the ECO to ensure the Order aligns with the broader regulatory and delivery landscape.
5. These questions propose key changes to help improve the viability for window installation, district heating, works to void properties and the implications of Universal Credit.

Consultation

6. The response to the consultation has been agreed with Gateshead Council.
7. The consultation response was endorsed by Gateshead Council cabinet on 17 September 2013.

Links to Values

8. This report links to the following values:

- Being customer focused, innovative and professional
- Being a listening and learning organisation

Impact on tenants

9. The content of this report does not directly impact upon tenants at this time.

Risk Implications

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

Health Implications

11. At its core, the ECO scheme is designed to reduce fuel poverty that will have a positive effect on thermal comfort and reducing cold related illnesses.

Financial Implications

12. There are no financial implications arising from this report.

Equality and Diversity Implications

13. There are no equality and diversity implications arising from this report.

Value for Money Implications

14. By responding to the consultation, TGHC are hoping to ensure that the maximum of ECO grant can be obtained for related works in future.

Environmental Implications

15. By responding to the consultation, TGHC are hoping to obtain further carbon saving through accessing of ECO grant in future.

Consultation

16. The response to consultation was developed jointly with Officers from Gateshead Council. Relevant TGHC departments were consulted regarding the response.

Recommendation

17. The committee is asked to note the agreed response to the consultation from TGHC and Gateshead Council.

**Energy Company Obligation: Consultation Response
Updates to the Electricity & Gas (ECO) Order 2012**

Joint response from Gateshead Council and The Gateshead Housing Company.

Q1. Do you agree with the Government's proposal to align the scoring of window panes, window units and other ECO measures?

Yes, TGHC and Gateshead Council are fully supportive of this change in methodology. At present a scheme that is out for tender for ECO works is unlikely to have window replacement supported due to the current ECO order calculation methodology. The result is a higher capital cost requirement by the Council to replace them even though they are single glazed timber framed windows installed circa 1960. Where holistic refurbishment projects are proposed comprising Solid Wall Insulation, district heating and window replacement this would help ensure that they could be delivered concurrently avoiding retrospective fitting of windows where EWI had already been installed resulting in large scale making good and potentially compromising the performance of the measure and invalidating an industry backed guarantee. Under the proposals outlined, the capital requirement from the Council to replace the windows will reduce significantly and allow energy companies to claim the carbon saving. This change will increase the amount of ECO schemes that can be delivered in Gateshead.

The installation of windows also has the additional benefit of reducing ambient noise for tenants in addition to the enhanced security it provides. When windows are offered with solid wall insulation where the windows are the secondary measure the offer is more attractive to a potential beneficiary.

In addition to this, TGHC and Gateshead Council would like DECC to consider revising window replacement on this basis to become a primary measure under CERO. This would enable approximately 2500 cavity filled traditional properties to have windows replaced under ECO ensuring the carbon saved is banked against the scheme and residents fuel bills are reduced quicker than would otherwise be possible.

Q2. Do you agree that the six-month rule for delivery of a DHS as a secondary measure under the CERO should be removed?

TGHC and Gateshead Council support this change. This will enable schemes that are currently out to tender to be delivered within a reasonable timeframe. The six month rule creates the possibility for a 'rushed job' which could lead to poor commissioning of heating systems and higher fuel bills. Extending the period to March 2015 allows for smoother installation and potentially mitigates supply chain and labour market issues.

At present, a tender is out for 5 tower blocks for approximately 500 tenancies. Installing the district heating system with 6 months of the primary measure

(EWI), will be difficult to achieve and result in higher costs due to the need for the contractor to increase the labour required to complete within time. Access to properties can sometimes take time in addition to considering the needs of some vulnerable tenants with specific needs.

Q3. Do you agree with the proposal to replace the requirement that solid wall insulation must reduce the U-Value of treated walls to “0.3W/m²k or less” from the ECO Order with a more flexible reference to meeting the requirements of the building regulations?

TGHC and Gateshead Council support this change. It is a more sensible option to amend the wording of the guidance in relation to a solid wall as existing solid walls can vary in construction and type and as such the U value will change. The current Building Regulations L1B does include a reference to table 3. This table has a threshold U Value for upgrading existing thermal elements. If the existing thermal element [Solid or otherwise] meets the threshold limit given in Table 3, then the Building Regulations cannot enforce the upgrading of this element.

By targeting a U value of 0.3W/M² K for the wall element it is a specific target, but this also allows the designer/ builder a degree of flexibility in how to achieve this target. This flexibility will allow the Designer / Builder to take into account the existing construction of the wall, the position of the wall element in relation to other building elements, and whilst still achieving a greater U value than existing and thus a reduction in carbon emissions. The Part L 1B gives guidance on reasonable, functional and a pay back time, this is generally difficult for a Building Control Surveyor to administer and control and is often overlooked and omitted an easy option for the designer where compliance is difficult to achieve.

It is also important that proposed guidance encourages consideration of the type and age of construction so any wall insulation measure installed does not introduce cold bridging, condensation, mould or damp.

Q4. Do you agree with the proposal to align the rules for “excess actions” and “qualifying actions” in the Order?

TGHC and Gateshead Council have no response to this question.

Q5. Do you agree with the Government’s proposal to clarify the wording in the Order to make clear the circumstances in which ECO measures can be installed in rented properties during “void” periods?

TGHC and Gateshead Council would welcome a clarification of the wording. Although TGHC have found that energy companies are happy to fund ECO works during void periods in social stock clarification on the circumstances when ECO measures can be installed in rental properties during void periods would be welcome with specific focus on the private sector. Particularly, about the landlord’s role in the organisation of the works and responsibilities thereafter.

Where properties are long term empty properties (over 6 months) the proposals become more problematic. A vague *“a demonstrable prospect of the property being occupied within a reasonable period”* would not encourage these properties to be brought back into use expeditiously.

To overcome this it is suggested that rather than an unstipulated time scale for reoccupation, a time period for re-letting would be constructive as this would help to reduce the number of properties left empty and would expedite occupation by new tenants.

In the various schemes Gateshead Council have previously employed for bringing empty properties back into use in the private sector we have always used a maximum void period of 12 weeks after which a breach of conditions occurs. Something similar would be helpful with these types of properties.

Q6. Do you agree that the ECO AWG eligibility criteria should be updated to include UC recipients in a way which mirrors, as closely as practicable under the UC system, the approach taken for current AWG eligible working age benefits/tax credits?

TGHC and Gateshead Council agree with an approach of adding Universal Credit in a mirrored way that is clearly defined and understood by all involved.



Report to the Assets, Development and Investment Committee

17 October 2013

Title: Affordable Warmth scheme for Leaseholders

Author Director of Customers and Communities

Purpose of Report

1. To inform the committee of the opportunity to access funding to provide an Affordable Warmth scheme for leaseholders.

Background

2. The Gateshead Housing Company manages over 800 leasehold properties across the borough. Leaseholders pay an annual service charge to TGHC for management and any external repairs/improvements are carried out through TGHC and re-charged to the leaseholder.
3. Recent issues relating to leaseholders heating system have been identified in relation to non-compliant flues. As these properties are part of a council maintained structure, the issues with the flues can affect council tenancies and other leaseholders.
4. TGHC has been looking at ways to assist these leaseholders in changing their heating system to meet current regulations. However, many leaseholders have told us that they are unable to afford the cost of updating their heating system.
5. Having identified the issues experienced by leaseholders we have identified a funding source from the Energy Company Obligation Funding under the Home Heating Cost Reduction Obligation (HHCRO). This allows grant funding to be used towards the replacement of older inefficient boilers for eligible householders.
6. With the Home Heating Cost Reduction Obligation (HHCRO) private owners, leaseholders and private tenants can qualify. Householders renting social properties are excluded from this scheme.

Funding

7. TGHC has been successful in accessing up to £1,000,000 worth of funding to enable qualifying leaseholders to have their boiler replaced for free. Colleagues from Gateshead Council's Climate Change Team were consulted on the bid.

8. To qualify for the funding, householders must meet the criteria outlined in the Appendix to this report.
9. The 730 leaseholders have been provided with scheme details and advised that an initial survey is required. This visit will provide details of the scheme and assess eligibility for the boiler replacement.
10. Leaseholders living in multi-storey blocks have not been included, as their heating system are not suitable for one-off upgrades and need to part of a whole block improvement
11. Initial surveys will be carried out by Cosyseal and are targeted to be completed by December 2013, with all installation complete by March 2014. TGHC will benefit from receiving asset data on leasehold boilers following this assessment.
12. All surveyors will be required to carry photo ID and have a Disclosure Barring Service (DBS) check prior to visiting leasehold properties.
13. Following the surveys and once eligibility has been established a list of customers that qualify will be available.

Works

14. The works will be delivered directly through our funding partner, Cosyseal Limited. Cosyseal will use their network of installers to complete the works.
15. All installers working on the contract will be accredited to the PAS 2030 standard.
16. TGHC will work closely with Cosyseal on the programming and delivery of the works, and boilers will be sourced from TGHC's supply chain to ensure some level of confidence around quality and performance for customers.

Links to Values

17. This report links to the following company values :
 - Being a listening and learning organization
 - Being customer focused, innovative and professional

Impact on tenants

18. It is estimated that qualifying leaseholders will save up to £300 a year on their heating bills (estimate from the Energy Saving Trust).
19. Leaseholders on the scheme will also receive a 5 year warranty on their new boiler.

Risk Management

20. The installers will contract directly with the leaseholder. The installer will then be paid directly by the funder (Cosyseal). In this way the risks are mitigated for TGHC.

Health Implications

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

Financial Implications

22. The works are being fully funded and delivered directly through an installer, so TGHC does not have any financial risk.
23. A management fee (5%) will be rebated to the company from every installation. This will cover TGHC's costs for quality checks, administration, marketing and monitoring customer satisfaction.

Equality and Diversity Implications

24. Any installers working in leaseholders homes on this contract will fully comply with the Equalities Act 2010.

Value for Money Implications

25. Key to ensuring this offer is free to leaseholders has been using TGHC's heating supply chain agreement, which allows materials to be accessed at a much lower price that can be obtained on a one-off basis. TGHC will also be able to get a lower installation price by letting this as one contract.

Environmental Implications

26. Each boiler replaced under this scheme will save up to 1,200 kg of Carbon Dioxide per year.

Consultation

27. Consultation on the proposed scheme has been undertaken with the Leaseholder Service Improvement Group, the Council's Legal team and the Gas Servicing team.
28. Gateshead Council's climate change team were also consulted on the proposed scheme. All those consulted were supportive of the scheme.

Recommendations

29. The Committee is recommended to note the content of this report and receive further updates on progress at future committee meetings as follows:
 - An overview of the installation programme
 - Number of qualifying customers who receive works
 - An overview of the sample audits carried out by TGHC on the installations
 - A summary of customer satisfaction and feedback from the leaseholder service improvement group.
 - Details of the warranty arrangements

Leaseholder heating scheme

Qualifying criteria

A. Receive State Pension Credit

B. Receive Child Tax Credit (with a relevant income below £15,860)

C. You must be in receipt of:

- Income-Based Job Seeker's Allowance or
- Income Related Employment & Support Allowance or
- Income Support.

PLUS one of the following:

- Disabled Child Premium
- Have parental responsibility for a child aged under 16 who lives at the property
- Have parental responsibility for a child aged 16 or over but under 20, who lives at the property and is in full-time education (not in higher education, such as at a university)
- Pension Premium (either Higher or Enhanced)
- Child Tax Credit which includes a Disability or Severe Disability element
- Disability Premium (either Higher or Enhanced)
- Work Related Activity or Support Component (with Income Related Employment & Support Allowance only)

D. You must be in receipt of:

- Working Tax Credit (with a relevant income below £15,860)

PLUS one of the following:

- Have parental responsibility for a child aged under 16 who lives at the property
- Have parental responsibility for a child aged 16 or over but under 20, who lives at the property and is in full-time education (not in higher education, such as at a university)
- Disabled Worker Element or Severe Disability Element
- Aged 60 or over



Report to Assets, Development and Investment Committee

17 October 2013

Title: 2013/14 Capital Update – End of Second Quarter

Report of: Director of Customers and Communities

Purpose of summary

1. To provide the committee with an update on the delivery of the capital programme for 2013/14 at the end of the second quarter.

Background

2. The five year capital budget up to 2017/18 was approved by Gateshead Council's Cabinet on 7 February 2012 and reported to Asset Committee on 23 February 2012.
3. A summary of the 2013/14 capital programme is attached as Appendix 1.
4. The capital programme is informed and managed by the Investment and Delivery service. This involves identifying schemes and prioritising capital investment based on stock condition and repairs history and managing the performance of the delivery partners to ensure that schemes are delivered on time, on budget and to the satisfaction of customers, with emphasis on achieving value for money. Our main delivery partner is Local Environmental Services (LES).

2013/14 Capital Programme

5. Since 2012 the capital programme has focused on the renewal of key elements with the stock to prevent properties falling into non-decency.
6. Maintaining Decency represents the largest single area of capital investment, In the latter part of 12/13 and early part of this financial year the main focus has been on agreeing and mobilising the programme at the earliest opportunity.
7. This year we have focused works in more targeted geographic areas to assist with the delivery and packaged works to maximise operational delivery for LES.
8. A summary of performance against the various budget headings is given below:-

Health and Statutory Obligations

- Five lifts programmed to be replaced as part of this years planned works. Final installation scheduled for January 2014.
- Fire Safety Works to Sheltered Housing schemes has commenced and works are almost complete at McErlane Square, Harrison Court, Pleasant Place and Birtley Villas. The works include communal door and flat door upgrades and replacements, compartmentation works and minor electrical upgrades to communal lounge emergency lighting and smoke alarms. The extent of works varies considerably from one scheme to another although the work is due to be completed by the end of the financial year in line with recommendations from the Tyne and Wear Fire and Rescue Service.
- Fire Safety works to Multi storey flats – All works to multi- storey flats were concluded during 2012/13 with the exception of Regent Court, where an innovative sprinkler installation was deemed to be the most appropriate solution. The installation started in January 2013 and was scheduled to take 10 months. The sprinkler system, to the individual flats and communal areas is now almost complete, only one flat remains outstanding which is subject to legal action to allow access. 98.2% of customers were satisfied overall with the installation.
- Equality Act works to communal lounges – 3 of 14 schemes were complete at the end of September (McErlane Square, Joyce Close and Woods Green) with the remaining schemes in development. These works have been developed in consultation with the Councils Design services and primarily improve entranceways and toilet facilities
- Equality Act works to Multi story flats – all schemes are currently in development with Design Services but physical works are expected to be completed during remainder of this financial year.

Maintaining Decency

9. Having analysed performance during 2012/13 and discussed opportunities for better ways of working with our delivery partner we took a more strategic approach to the programme this year and estates were identified with a high concentration of work to maximise efficiencies and avoid resources being spread across several areas.
10. The Maintaining Decency programme for 2013/14 comprises initially of works to 1,244 properties. Covering individual elements such as re-wiring, boiler replacement, kitchen replacements and bathroom renewals. Work commenced in April and much of the first quarter was focused on development and surveying. The programme commenced on site during June. Currently the programme is around 30% complete and on target to conclude in early 2014. There have been a number of drop outs and we are working with LES to identify reserve schemes to back fill in order to provide continuity for the LES delivery streams through to April 2014.
11. We are also looking at introducing a package of external works to be delivered in the final quarter of this year to renew flat roofs and address condensation issues.

12. This year's window programme consists of 249 homes. This work is going through a tendering process with installation expected to be carried out between January and March 2014. The estates that will receive replacement windows in 2013/14 are shown in Appendix 2.

Other schemes in progress

13. In addition the following schemes are currently in the programme;
- Remote door entry and CCTV - discussions are being held with the Council regarding the prioritisation of this work.
 - Tunstall Carecall scheme to upgrade the system on 389 properties completed September 2013
 - Communal Electric upgrades to Barnes Close, 1 block completed and 1 block work in progress. Regent Court has received measures to improve communal lighting and fire alarm install. Crowhall Towers is due to commence early 2014.
 - A two year External Wall Insulation (EWI) programme to 631 properties. Located mainly at Leam Lane estate, the works are to non-traditional house types BISF, Wimpy no fines and Dorrans. The £4.5M programme is virtually fully grant funded and is being undertaken by Mears and project managed by an external agent. A mirror contract programme is being carried out concurrently through Home Group using the same contracting and management resources. The resulting insulation works together with associated 30 boilers and 162 properties receiving windows will improve the SAP ratings for the harder to heat homes and reduce fuel poverty. Works are programmed to commence 21st October 2013.
14. This external funding is an example of TGHC working in partnership with colleagues from Gateshead Council to bring in additional resources to the council overall. Although the EWI scheme requires a contribution of from the capital programme, the company successfully secured additional grant funding form the previous regime of energy company funding during 2012/13 of £320,000. It has been agreed to passport this funding into the 2013/14 capital programme to supplement the EWI scheme.

Links to Values

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

Impact on tenants

16. Having spent £330million bringing all properties up to the Decent Homes standard we continue to invest in maintaining decency of the housing stock for the benefit of the customers.
17. The insulation works being undertaken to 631 properties will improve the SAP ratings for the harder to heat homes and reduce fuel poverty.

18. Satisfaction surveys are carried out with all tenants and leaseholders who receive investment works. These satisfaction surveys have now been split to ensure that we can gather improved data on satisfaction across all of the different elements of investment work. This will help to improve the service to customers when they receive works. Results up to 31 August 2013 show that 97.78% of customers are satisfied with the overall improvements.
19. Customers will benefit from the Equality Act works improving entrance access and toilet facilities to communal areas.
20. The ECO scheme is a positive example of TGHC working in partnership with Gateshead Council to bring additional resources into to the borough to improve customers' homes at a time where there is increased pressure on council spending.

Health Implications

21. The improvement works detailed in this report, in particular the External Wall Insulation works, being delivered will reduce the risk of customers living in cold damp homes, reducing the risk of heart, stroke, respiratory and cold related illness.

Environmental Implications

22. The works will deliver new high efficiency combination boilers to more than 300 properties that have the oldest most inefficient systems currently. The EWI scheme to 631 harder to heat properties along with window replacement works to over 200 properties will reduce substantial carbon emissions through reductions of heating usage.

Risk Management Implications

23. The failure to maintain decency has been identified as a strategic risk and controls and future actions have been agreed to mitigate the risk. The Strategic Risk Register is reviewed annually by the senior management team and monitored by the Board. Works being undertaken to renew/refurbish five lifts in multi-storey blocks and sheltered schemes as well as Equality Act works.
24. The fire safety works that are being carried out to sheltered schemes and at Regent Court will address deficiencies that were identified by officers from TGHC and the Tyne and Wear Fire and Rescue Service and will mitigate risks in properties occupied by some of our most vulnerable customers.

Financial Implications

25. The financial implications are detailed in the report. The capital programme is being delivered within existing budget and we are constantly looking at opportunities to maximise value for money and attract additional funding to supplement capital delivery.
26. The EWI scheme has brought in grant funding of approximately £5.4 million to the borough with £3.9million supporting the Council's capital programme and delivering additional improvements to TGHC managed properties.

Equality and Diversity Implications

27. The Equality Act works will improve accessibility to 7 blocks. Measures include improved entranceways as well as DDA compliant toilet facilities

Value for Money Implications

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

Consultation carried out

29. Consultation has been carried out for:-
- Maintaining Decency – drop in events have been held for residents whose homes are due heating or kitchen replacement.
 - Fire Safety Works – drop in events have been held for residents living in multi-storey blocks so they could find out more about the works.
 - Regent Court Sprinkler System – information events have been held for all residents living in the block and visits to a pilot flat has been carried out.
 - Pleasant Place - residents meeting relating to the lift replacement.
 - Ward Councillors have been updated and advised of the Capital scheme proposals in their wards.

Recommendation

30. The views of the committee are sought on whether it is satisfied with progress to date with the capital programme 2013/14.

Appendix 1 Housing Capital Programme to End of September

HRA Capital Programme 2013/14						
Category	Project	12/13 Slippage£ ,000	13/14 Original Budget £,000	Total 13/14 Funding £,000	Spend to 30 Sept 2013 £,000	Quarter 2 Revised Budget £,000
Health and Safety	Lift Replacement/Refurbishment	74	500	574	159	574
	Replacement of Communal Electrics	93	250	343	219	343
	Equality Act Works - Multi Storey Flats	250	250	500	0	250
	Equality Act Works - Communal Lounges	97	100	197	2	197
	Fire Safety Works to Multi Storey Flats	792	0	792	350	792
	Fire Safety Works to Sheltered Schemes	492	0	492	6	492
		1,798	1,100	2,898	736	2,648
Contractual	Programme Maintenance	0	1,000	1,000	500	1,000
Obligations	Strategic Maintenance	0	1,500	1,500	1,500	1,500
		0	2,500	2,500	2,000	2,500
Maintaining Decency	Maintaining Decency	3,285	6,930	10,215	4,530	10,606
Estate Regeneration	Chandless Demolition	0	350	350	134	344
	Dunston Achieving the Vision	0	0	0	6	6
	Clasper Village	0	555	555	150	555
	Bleach Green	0	390	390	211	390
	Flowershow Field	0	19	19	18	19
	Older Persons	87	200	287	38	287
		87	1,514	1,601	557	1,601
Other Priorities	One Off Heating Replacements	418	500	918	217	698
	Warden Call	-20	250	230	35	189
	Window Replacement	232	500	732	142	732
	Remote Door Entry and CCTV	100	0	100	0	0
	High Fell A and B Schemes	0	0	0	809	936
	ECO Windows Scheme	0	0	0	0	320
	New Build	0	0	0	0	500
		730	1,250	1,980	1,203	3,375
	Total TGHC Capital Programme 13/14	5,900	13,294	19,194	9,026	20,730

Proposed Window Replacement Programme Years 1 to 2

Estate	Ward(s)	
With Timber Windows		
Completed replacement		
Year 1 2012/13		
ACQUIRED_LOW_FELL	LOW FELL	1
BAGNALL_GRANGE	BLAYDON	1
LAKES_EST	WINLATON & HIGH SPEN	1
PORTMEADS	BIRTLEY	1
WINLATON_MILL	WINLATON & HIGH SPEN	1
GRANGE_CRESCENT_EST	PELAW & HEWORTH	4
WATERGATE	DUNSTON HILL & WHICKHAM EAST	3
LOW_GREENSIDE	CRAWCROOK & GREENSIDE	5
RACECOURSE Ph1	LOBLEY HILL & BENSAM	58
HALLGARTH_EST Ph1	BLAYDON, WINLATON & HIGH SPEN	58
DECKHAM_EST	FELLING, DECKHAM	20
BLUE_QUARRIES	HIGH FELL	32
		185
Programmed this year		
Year 2 2013/14		
HALLGARTH_EST Ph2	BLAYDON, WINLATON & HIGH SPEN	110
FLORENCE_AVENUE_EST	HIGH FELL, LOW FELL	31
HEXHAM_OLD_ROAD_EST	RYTON	58
HALLGARTH_EST Ph3	BLAYDON, WINLATON & HIGH SPEN	50
		249



Report to Assets, Development and Investment Committee

17 October 2013

Title: Repair and Maintenance Contract – First Quarter review 2013/14

Report of Director of Customer and Communities

Purpose of Report

1. To provide the committee with an overview of the operation of the repairs and maintenance contract for the first quarter of the current financial year.

Background

2. The repair and maintenance contract with Mears came into operation in April 2012 following an extensive procurement exercise which included the involvement of customers. The contract is between Gateshead Council and Mears and is for a three year period with an option to extend up to a further two years.
3. Customers had identified a number of service improvements that they would like to be delivered through this contract. For example, customers were very interested in having two-hour appointment slots for repairs instead of the existing “am or pm” slots, and were keen to see some appointments being offered during the evening. The contractor would also be expected to develop a multi-skilling approach for the workforce that would enable more jobs to be completed in one visit.
4. The committee previously received a report which reviewed the first year of the repair contract at its meeting on 20 June 2013. Results of key performance indicators for repairs were included in the first quarter performance summary reported to Board on 19 September 2013. A copy of the repairs results are included at Appendix 1.

Overview of First Quarter 2013/14

5. 17,814 responsive repairs were completed in the first quarter which is generally in line with expectations. There was however a significant increase in relet work to vacant properties. 402 relets were completed in the period, but 488 were raised – meaning that the number of vacant properties outstanding increased.

6. There had been a 33% increase in the number of council tenants terminating their tenancy in the first quarter, and this has been attributed to the impact of welfare reform. To respond to the increase in relet work, Mears have engaged additional subcontractors and there has been a joint focus on improving the relet process.
7. Satisfaction with the standard of repairs carried out continues to be high, and levels of complaints have reduced. Performance on key performance indicators is below target in relation to repair appointments and timescales, but there have generally been improvements month by month. A particular area for improvement has been the ability to book appointments when customers first report repairs. There have been a number of system issues since the contract was launched which have impacted on this, but more recently very good performance has been recorded in September.
8. A contract review document for the quarter has been jointly produced by service managers from Mears and from the housing company, and can be found in Appendix 2. The review also includes some updates where relevant from quarter two. There are sections on:
 - Responsive Repairs
 - Voids
 - Gas Servicing and Repairs
 - Electrical Testing
 - Painting and Repairs
 - Aids and Adaptations
 - Apprentices
 - Customer Care
 - Health and Safety
 - ICT
 - Service Improvements
9. In addition to key performance information a performance scorecard has been developed with Mears in order demonstrate the breadth of activity within the contract. A copy of the draft scorecard is attached for information at Appendix 3 and a completed version will be provided when we report on second quarter performance to this committee at its next meeting.
10. Further updates on repairs and maintenance performance will be brought to this committee during the year.

Links to Values

11. This report links to the values of:
 - Being a listening and learning organisation
 - Being honest, accountable and transparent
 - Being customer focused

Impact on tenants

12. For most tenants, their contact with the services provided by the company is most likely to be linked to the repair service – and customers tell us through the annual survey that well maintained homes remains a key priority.

Risk Management

13. The report links to the strategic risks around: -
- delivering effective asset management
 - delivering on new projects
 - maintaining a positive reputation
 - managing finances and delivering value for money
 - effectively managing business continuity

Health Implications

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

Financial Implications

15. The following financial information was previously included in the Management Accounts report to Board on 10 September 2013.
16. The repairs budget was set with all Mears budgets reduced by a 3% efficiency saving as agreed in the repairs tender. All other budgets have remained at the same level as 2012/13.
17. 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)	1,159	1,172	(13)
Responsive – Mears	969	1,256	(287)
Responsive – LES	250	194	56
Responsive – Other	200	137	63
Relets – Mears	845	757	88
Relets - Other	175	66	109
Cyclical Repairs – Servicing	125	102	23
Cyclical Repairs – Remedial Works	38	0	38
Water Hygiene Testing	38	15	23
Painting	280	114	166
Gas Servicing	480	468	12
Electrical Circuit Testing	34	23	11
Solid Fuel Testing	1	0	1
Lift Maintenance	34	22	12
Security	50	7	43
Environmental Works	56	13	43
Energy Performance Certificates	13	8	5
Aids & Adaptations	38	26	12
TOTAL	4,785	4,380	405

18. Responsive repair costs have been split between spend with Mears, spend with Local Environmental Services and the other costs associated with repairs. Mears are the repairs contractor and they carry out all the

repairs and maintenance at properties. LES carry out all drainage and highways repair works. Other costs are in relation to asbestos testing and removal works, batched Mears repair work, the repairs freephone number and postage for any postcards/letters, as well as other sub-contractor costs for works Mears are unable to carry out.

19. Overall, the responsive repair costs are over budget for the first quarter. The overspend with Mears is due to more specialist works being directed through Mears rather than given to other subcontractors. The reduction in other responsive works is due to more works being directed through Mears rather than using other specialist contractors. The underspend with LES is due to works not being invoiced by LES in a timely manner. There have been 15,306 repair orders invoiced in the first quarter and average repair costs for first quarter were £105.41.
20. In the second quarter we have restructured some of the budget heads to reflect the reducing work previously carried out as “repair other”, and moved some of the underspend into “repairs Mears” who are actually carrying out more of the work.
21. The relet budget is split between the costs of the works carried out by Mears and the other costs associated with relets. Other costs relate mainly to costs associated with asbestos works, security costs and decoration vouchers provided to new tenants.
22. Mears relet costs are under budget at the first quarter. However, the number of void properties has increased significantly this year with 428 properties let in the first quarter, compared to 298 for the same period in 2012/13. We have not yet received invoices for all of these jobs but when we do it is likely the void spend will be over budget. The numbers of voids will be closely monitored during the year and discussions have been held with the Council regarding this potential problem if the current trend continues.
23. The average relet cost for jobs completed and invoiced in the first quarter was £2,660.59 and the number of relets invoiced in the first quarter was 405. The figures for the first quarter of 2012/13 are not comparable due to invoicing issues at the start of the new repairs contract.
24. The painting programme budget was increased this year by £500,000. The budget is currently under spent by £166,000 in the first quarter as many of the additional schemes that were added to this years plan have been at the planning and preparation stage during the first quarter. We would expect the level of spend to increase during the second quarter as work begins on the additional schemes.
25. Gas servicing is under budget for the first quarter. This budget line includes the budget for the Gas Care Plan which is a fixed monthly cost of £147,000, the budget for gas repairs and the no access team, and any warrant required to secure access to a property.

26. 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.
27. We have a programme of works for these areas of maintenance. We have separated out the cyclical works – remedial works, as this is a responsive element of costs, so we can build up our ability to assess the expenditure. There has been no spend required in this area in the first quarter. The security budget is underspent at the first quarter and this is due to a delay in processing invoices. The cyclical repairs servicing budget is also underspent at the first quarter and this is due to delays in receiving invoices from LES.
28. Following the appointment by the Company of a Cyclical Repairs Manager, all areas of cyclical maintenance will be reviewed, including the service level agreements we have in place, during 2013/14.

Value for Money Implications

29. Value for money was a key factor in the award of the repair and maintenance contract, and it includes for example a requirement on the contractor to deliver 3% efficiency savings in year two, and a further 2% in year three.

Recommendation

30. The views of the committee are sought on whether the committee is satisfied with progress on the management of the repair and maintenance contract with Mears in the first quarter 2013/14.

Contact: Phil Hogg, Repairs Service Manager Tel No: (0191 433 5315)
 Kevin Johnson, Head of Customer Services Tel No: (0191 433 5378)



The Gateshead Housing Company
April - June 2013/14 Performance

HomeRepairs

Aims of the service
With the Mears contract now being more established we aim to improve satisfaction, increase the number of appointments kept, while at the same time work towards our company priority of providing a customer focused repair service.
Overall result for the service and the outcomes for customers
Although overall results for appointments and timescales are not yet on target, satisfaction with repairs is above target and increasing, and repairs completed at first visit are within target. Performance on emergency and urgent repairs is good with very few jobs missing target, but improvements are required to performance on routine repairs to achieve overall target. Performance has improved month on month for routine repairs during the first quarter. Further work is required by Mears to ensure that availability of operatives for appointments (and visibility of appointment slots) is correct.

HomeRepairs - KPIs



Not on Target

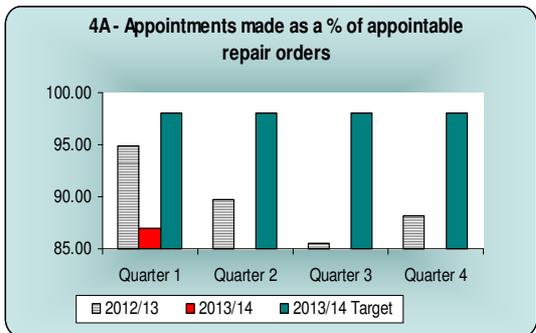
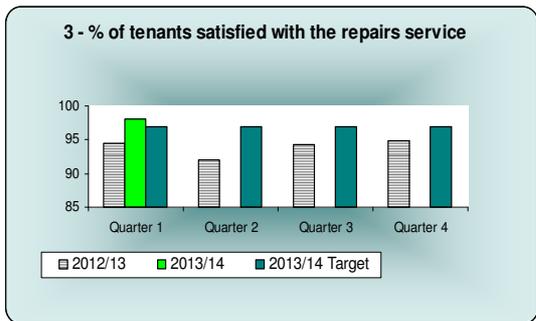
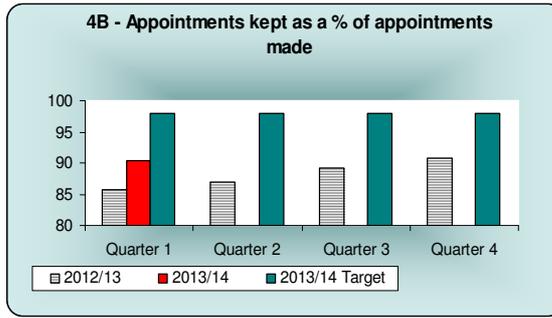
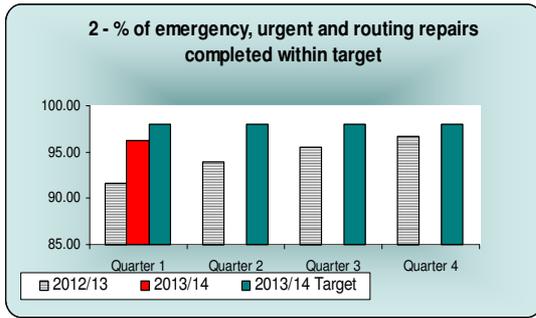


Not on Target but Improved



Target Met/ Exceeded

	HomeRepairs	Performance 2012/13	Target 2013/14	Performance April - June 2013/14	Result Against Target	Trend Against Prior Quarter
	% of emergency, urgent and routine repairs completed within their timescale	96.63%	98%	96.27%		
	% of tenants satisfied with the repair service	94.95%	97-100%	98.07%		
	Appointments made as a percentage of appointable repair orders	88.16%	98%	87.00%		
	Appointments kept as a percentage of appointments made	90.89%	98%	90.38%		
	% of repairs completed at first visit	N/A	91%	93.62%		



% of emergency, urgent and routine repairs completed within their timescale

Current Performance

15,808 repair jobs have been completed in the first quarter, with 15,219 carried out within target timescales (96.27%). This is not within the target set - but is improving month on month. Performance on the most critical types of repair (emergency and urgent jobs) is well within target. Out of 3,973 emergency repairs only 8 were out of target, and out of 4,384 urgent repairs only 13 were out of target. Improvements to performance in routine work are required to improve the overall performance (568 out of 7,451 routine repairs were out of target).

Supplementary Information

Broken down by category: Emergency 99.80%; Urgent 99.70%; Routine 92.38%.

% of tenants satisfied with the repair service

Current Performance

3,157 surveys carried out to date, with 3,096 respondents satisfied.

Supplementary Information

Appointments made as a percentage of appointable repair orders

Current Performance

There were 11,835 appointable repairs reported in the first quarter, with 10,296 appointments made. This figure should be higher, and work is required to ensure that the availability of Mears operatives is correct and matches the visible available slots in the repair appointment IT system.

Supplementary Information

Where appointments can not be made at first contact then the repairs partner Mears contacts the tenant as soon as possible afterwards to arrange a suitable appointment.

Appointments kept as a percentage of appointments made

Current Performance

Of the 10,296 appointments made, 9,306 were kept within the 2 hour window. 990 were not achieved, but this would reduce to 80 if measuring by the older am/pm appointment slots we used to offer (and would give a performance of 99.22%).

Supplementary Information

% of repairs completed at first visit

Current Performance

Within target range in first quarter. Out of 15,808 qualifying repairs, 14,799 were completed at first visit.

Supplementary Information

368 repairs required a call back, and on 641 occasions the required materials were not available at first visit.



The Gateshead Housing Company
April - June 2013/14 Performance

Cyclical

Aims of the service

Based in the Repairs Management Service, cyclical maintenance covers a range of issues that help protect and secure tenants, including gas safety and lift maintenance. In 2013/14 the range of indicators measured has been extended.

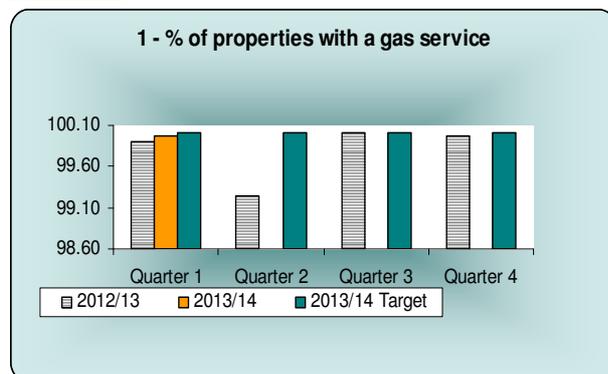
Overall result for the service and the outcomes for customers

A range of new measures are being introduced to add to the existing performance indicator for gas servicing. Systems are being established for some of these for reporting later in the year. Monitoring of instances of lift breakdowns is already underway.

Cyclical Maintenance - KPIs

R Not on Target
 A Not on Target but Improved
 G Target Met/ Exceeded

	Cyclical Maintenance	Performance 2012/13	Target 2013/14	Performance April - June 2013/14	Result Against Target	Trend Against Prior Quarter
	% of relevant properties that have had a gas service in the last 12 months	99.97%	100%	99.97%	A	
	% of customers satisfied with the painting programme	N/A	Baseline	To be reported quarter 2		
	% of properties where a smoke detector service has been carried out	N/A	Baseline	To be reported quarter 2		
	Instances where lifts were unavailable in blocks (excluding planned maintenance)	N/A	Baseline	32 (out of 2,457)		
	% of multi storey blocks that have received an annual drainage inspection	N/A	Baseline	To be reported quarter 2		
	% of properties where a CO detector is present in a property	N/A	Baseline	96.35%		



% of properties that have had a gas service this year**Current Performance**

18,894 of 18,900 tenanted properties had a current and valid CP12 or CP14 certificate as at end of June. Of the 6 remaining, 4 properties had an appointment booked and 2 properties had warrants for access secured. All properties are within the risk assessed procedure. Numerical weeks out of date: (1 to 4 weeks: 4) (4 to 8 weeks: 2) (8 to 12 weeks: 0) 12 to 16 weeks: 0).

Supplementary Information

We are amending procedures and will inform customers by letter that we will be charging a fixed price of £520.00 for every warrant of access that is initiated to their property. We will follow up with advertising in all TGHC papers/web etc and also local newspapers.

% of customers satisfied with the painting programme**Current Performance**

Surveys have not commenced in Quarter 1.

Supplementary Information

Surveys are scheduled to commence in Quarter 2.

% of properties where a smoke detector service has been carried out**Current Performance**

To commence in Quarter 2

Supplementary Information

Communal areas are scheduled to commence in August with a targeted completion in March 2014. Individual flats programme to follow.

Instances where lifts were unavailable in blocks (excluding planned maintenance)**Current Performance**

This is a new indicator calculated as follows: There are 27 blocks with lifts, and there were 91 calendar days in the quarter, equalling 2,457 possible "lift days". There were 32 unplanned instances of a lift being unavailable for at least some part of one of these days (also could be expressed as 1.30% of the days).

Supplementary Information

Periods of planned maintenance are excluded from this indicator calculation.

% of multi storey blocks that have received an annual drainage inspection**Current Performance**

The inspection process has not commenced in quarter 1.

Supplementary Information

Meetings ongoing with LES to scope out the extent of works, inspection procedures and how data will inform TGHC asset management.

% of properties where a CO detector is present in a property

Current Performance

18,930 properties require a CO detector (this includes 29 Solid Fuel appliances) to date we have installed 18,240 to properties.

Supplementary Information

CONTRACT OVERVIEW

April 2013 to June 2013

Quarter One



Working in partnership for you

Responsive repairs

The number of responsive repairs completed across all job categories in the first quarter totalled 17,814 compared to 15,285 in the last quarter of 12/13.

Following discussion between Mears and TGHC, it was jointly agreed that we would review the job priorities of all current schedule of rates and where practical realign the timescales that customers can expect repairs to be completed. This exercise has resulted in a large number of works orders having their timescale improved from planned works (40 working days) to routine works (20 working days).

There were 145 jobs moved from planned to routine. Examples of these include:

- Minor joinery repairs such as kitchen unit / door repairs
- All roofing repairs

Only 3 jobs have been aligned as planned works rather than routine works.

Examples include:

- Large areas of plastering
- Renewal of galvanised fabricated gates

The Planned priority jobs require additional support in order to be delivered in line with targets. In order to improve customer service a team dedicated to working only on planned orders was set up during quarter one by Mears. All planned orders are now referred to Mears to survey, plan and subsequently make appointments.

The benefits of this approach include:

- Improved focus and control on planned jobs
- Joint visits when appropriate on planned works to ensure value for money
- Improved customer journey. For example involvement of the Repairs Customer Care Officer for large projects or for vulnerable customers

The number of PLANNED jobs issued in quarter 1 was 1435, (9.5% of total jobs issued), in comparison to 3183 (18.7%) in quarter 4 of 2012/13. In quarter 1 of 2013/14 the ROUTINE jobs issued was 8110 (53.7% of total jobs issued), compared to 7537(44.5%) in quarter 4 of 2012/13.

The PLANNED jobs completed within timescale has increased from 73% to 81% in quarter 1, with ROUTINE jobs also improving from 91% to 93.7% in the same time period.

The partnership has developed a series of initiatives to improve the current appointment system:

- Improvements to Mears appoint, with better visibility to TGHC staff
- More appointments available in Mears appoint
- Training for operatives in accurate use of PDA's to support daily delivery
- Proactive management of daily appointments by Mears Planners
- Further investigation into the systems and booking of appointments is required. We are jointly reviewing these issues and aim to have improvements in place by September.

The numbers of works orders not completed within the agreed timescales has steadily reduced in the quarter, from 397 down to 114. Focus in particular was placed on roofing works. Mears appointed a roofing Supervisor and additional

capacity was introduced to work alongside the Mears roofing team. As a consequence the number of roofing jobs falling out of time also reduced, from 69 to 20 across the quarter.

(Update – Quarter 2 progress and performance Responsive Repairs)

- Continued reduction in the numbers of works orders not completed within the agreed timescales - below 70 at the end of August 2013
- Introduction of evening appointments from September - Tuesday & Thursday up to 6.30pm

Amendments to the Mears appoint system were agreed and implemented during quarter two. This has in turn increased the performance for appointments made at the first point of contact. Performance in September is around 99%. We are jointly monitoring this on a weekly basis to ensure performance remains high and controlled.

Performance with appointments kept remains outside of target although has seen an improvement since Q1. Of the job categories included in this indicator routine jobs are under performing. As a partnership we are analysing fail reasons and reviewing the routine process.

Breakdown of performance by priority type for August 2013

- Emergency: 6207 completed (11 late, 0.18%)
- Urgent: 7609 completed (17 late, 0.22%)
- Routine: 11971 completed (764 late, 6.38%)

The numbers of routine repairs have increased by 10% since April 2013 due to changes between planned and routine repairs. The changes increased the number of repairs that were routine and thereby also reducing the time tenants had to wait for a repair to be completed.

Areas for future review:

- Continued work on repair descriptions to ensure unplanned work is avoided.
- TGHC to book appropriate appointment slots for routine repairs in an aim to maximise the opportunity to complete the job in target.
- Specialist or non-standard materials impact on completing repairs on time. For example - new gates needed to be manufactured. We have now standardised gate sizes to reduce unnecessary time delays.
- Mears are working with Travis Perkins to improve repairs ordering service to reduce timescales for delivery.

Voids

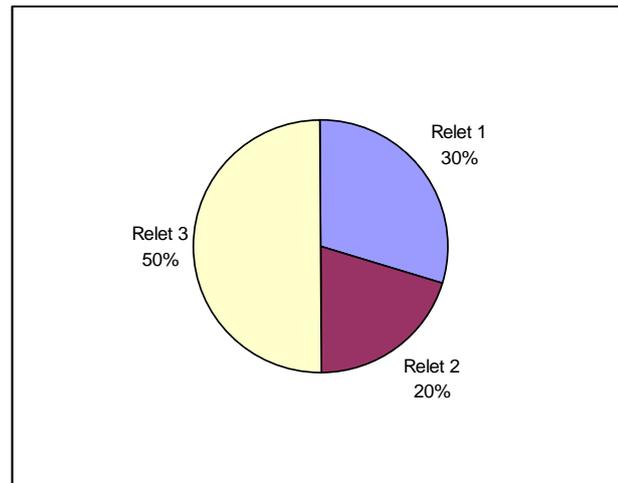
There has been a significant increase in the number of voids generated during quarter 1, a large percentage of which is a result of the impact of welfare reform. Termination reasons are being monitored by TGHC and together with Mears we will continue to monitor this throughout the second quarter.

In addition to the increased void levels we have also seen an increase in the level of work required in each property. The most noticeable increase has been in the amount of plastering required to maintain the Lettable Standard.

To minimise the disruption to the service delivery, Mears introduced sub-contractors to support the increased workload.

Void workshops and toolbox talks continued with all operatives to ensure they had a sound understanding of the Gateshead Housing Company published Lettable Standard to maintain the quality of work to vacant homes. Further improvements are being developed from the joint workshop and will be updated in the Service Improvement Plan.

At the end of quarter 1 the number of voids with Mears stood at 212. The majority of these voids being relet 3's. This compares to 158 in repair with Mears at the start of the financial year.



Due to the increased level of work in each void property we are currently discussing the introduction of a Relet 4 category. It is hoped that the additional category will allow Mears to accurately plan works with a timescale more appropriate to the level of work required.

Performance year to date for quarter 1 stands at 15.69 average working days. This has increased from 13.26 average working days at year end due to the high volume of work required in each property alongside the increase in void numbers. We will continue to jointly review the process in an aim to reduce performance.

Customer satisfaction with the Lettable Standard has improved since year end 2012/13 (94.01%) and stands in target at 95.70% at the end of quarter one. TGHC Voids Team completed quality checks on all returned voids to ensure the Lettable Standard has been delivered.

(Update – Quarter 2 progress and performance Voids)

The void workshops have continued to jointly review the processes and procedures with particular focus on the planning and handover stages. A jointly agreed revised procedure has been implemented for all Mears Supervisors to follow. This process should ensure that all Supervisors work consistently. Areas for learning are identified by reviewing the performance by area.

Further resource has been introduced into the service from mid September in an aim to improve performance. The resource includes additional Mears Supervisors and operatives working direct for Mears alongside their current team.

We will be jointly reviewing the level of elemental replacements completed by voids as this currently has a detrimental impact on the turnaround times.

The specification and timescales of a relet 4 category has been agreed and will be implemented mid October. The purpose of the category is to balance the gap between relet 3 and major work in order to provide accurate target dates for customers.

We are soon to start a pilot to install smoke detectors in void properties. The alarms are supplied by fire brigade and installed by Mears.

Performance, although out of target, has continually improved since end of quarter 1. It is expected that the impact of the additional resource will show improvements in the October performance reporting and that this will be sustained in future months.

Gas servicing and gas repairs

Gas Servicing:

Quarter	Completed	Overdue	N/A one	N/A two	N/A three	N/A & Warrant process	Completed %
April to June Total	4564	1	989	312	104	104	99.995

One property with an outstanding gas service had reached warrant stage.

- We are attempting to smooth the numbers of Landlord Gas Safety Records completed each month to a more manageable level.
- The no access rate has been high with an average of 32% over the first quarter. A review of the no access policy forms part of the joint Service Improvement Plan.

Gas Repairs Contract:

April to June 2013	Jobs	No Access	Percentage No Access
Totals	3066	310	10.1

Tenants receive a phone call to confirm the appointment for every repair raised, however, at present there is a no access rate of 10.1%. A review of the no access policy for gas servicing and repairs forms part of the Service Improvement Plan.

(Update – Quarter 2 progress and performance Gas Servicing and gas repairs)

No progress on smoothing out numbers of visits throughout the year.

Further evidence to be provided about number of failed appointments to support tenant no access issue and improve clarity on failure reasons. Meeting with Housing Management to be scheduled early Quarter 3 to scope out improvements to no access.

Address reconciliation complete, all gas data now entered into Northgate and is undergoing testing.

The number of incorrect addresses has dropped significantly following the introduction of the daily address reconciliation. Further process mapping required on Mears processes for handling address variances.

Reinstatement of warrant process agreed with Gateshead Council, legal services currently detailing delegated responsibilities to empower TGHC officers to serve warrants.

Electrical testing

The programme and address list for this year's Electrical Inspection work for the year consists of 1281 properties. All addresses are programmed and residents have been contacted with appointments.

Work has currently been completed on Abbotsford Rd Site and Barley Mow, with work in progress at Pelaw and Stoneygate Lane.

178 properties were completed by the end of quarter 1.

We will also be reviewing the no access policy on electrical testing as part of the Service Improvement Plan.

(Update - Quarter 2 progress and performance Electrical Testing)

Progress is as scheduled, however the number of completions needs to be accelerated in order to meet the target by the end of the year.

Arrangements for no access to be reaffirmed throughout quarter 3 in conjunction with Housing Management assistance.

Enforcement procedures currently in negotiation with Gateshead Council to tackle these category 1 hazards.

Painting and repairs

The current years painting and repair programme consists of the following

- 2185 properties
- 302 garages

Estates in the 2013/14 painting programme include:

- Marian Court
- Hexham Old Road
- Hallgarth
- Wrekenton
- Barlow
- South Sherburn
- Millford/Ridgeway
- Portmeads
- William Pitt
- Eslington Park Estate
- Coatsworth
- Parkhead

There have been 282 properties completed within the programme at the end of quarter 1.

Due to adverse weather conditions 74 properties from 2012/2013 programme were completed at the beginning of April 2013.

In order to meet the programme requirements two specialist subcontractors have been procured to work alongside the Mears teams. The subcontractors have been allocated specific sites including South Sherburn, Millford/Ridgeway, Portmeads and William Pitt.

(Update - Quarter 2 progress and performance Painting and repairs)

Additional estates have been added to the painting programme during 2013/14 and as such the programme was altered to reflect this. The additional estates have been undertaken, running parallel with existing programme.

We have now completed external painting and repairs to Marion Court (50), Hexham Old Road (75) and Hallgarth Estate (471 properties). Mears and their subcontractors are currently working on Wrekenton (315), Millford Ridgeway (421), Portmeads (183), William Pitt (129) and South Sherburn (115 properties) with Barlow (10) to start.

The remainder of the external painting programme will commence March 2014, and include Parkhead (284), Eslington Park (155) and Coatsworth (95).

We have initially identified 6 sheltered schemes McErlane Square, Harrison Court, two schemes at Birtley Villas, and two schemes at Pleasant Place (49-56) for internal decoration and these are due to commence in the coming weeks.

Aids and adaptations

There were 290 jobs issued within the first quarter

- Completed, 278
- Cancelled, 12

Jobs completed on time = 98.46%

Mears have introduced a process to recycle clos-o-mat WCs. The units have a cost at new of approximately £3k. Mears have arranged to remove redundant units then sanitise and store them for reuse. Once the unit is then refitted then a saving of £1k per unit is realised.

Apprentices

There are currently 21 apprentices within Mears (Gateshead) as follows:

- 7 transferred during the TUPE transfer in 2012
- 7 employed in the Mears September 2012
- 7 employed in the Mears February 2013

The apprentices are broken down by trade as follows:

- Joiners = 1
- Gas plumbers = 3
- Plumbers = 3
- Electricians = 3
- Roofers = 2
- Multi skill = 6

- Business administration = 2
- Customer care = 1

Mears have developed a partnership with Gateshead College that supports both the recruitment process and the provision of the relevant training courses.

- Gateshead College advertise on the Government site apprenticeshipvacancymatchingservice.isc.gov.uk. This site advertises in local schools and Colleges and various other recruitment centres.
- The College receive the applications and choose a number of candidates for interview and test (CITB-Construction Skills Structured Learning Exercise)
- Approximately 30 candidates are put forward to Mears from the college to take part in the Assessment day.
- The Assessment day is arranged by both Mears and Gateshead College with the assessments undertaken at the College. The assessment group are made up from operational supervisors, managers and the training co coordinator from Mears.
- The day consists of a presentation by Mears which provides an overview of organisation and the commitment to the Apprenticeship scheme as well as tests and exercises.
- Following the assessment day generally 20 candidates are interviewed.
- Interviews take place at Mears and are carried out by 2 operational managers and a Mears Apprentice Coordinator.
- During the Apprenticeship, points of contact are established with each learning provider.
- Progress reviews are carried out every 12 weeks with the Apprentices, their Mentor/Manager, Mears Apprentice Coordinator and the College contact.
- These reviews are an opportunity to address any issues any party has and ensure that the Apprentice is given the best support available.
- Mears have advised Gateshead College that they are keen to work with them on any other projects they may have to promote the Construction Industry and have offered the support of a Business Ambassador if required.
- Gateshead College have recently nominated Mears as the Employer of the Year in the National Apprentice Awards.

(Update – Quarter 2 Apprentices)

Interviews have been completed on a further apprentice intake with an additional 6 apprentices commencing with Mears in September 2013.

Customer care

Complaints

Complaints numbers have remained stable within the first quarter of 2013. The close working partnership between TGHC and Mears has ensured that good control measures have been put in place to monitor complaints and develop learning.

- In quarter 1 there was on average 19 complaints per month.
- The average time for Mears to return complaints information to TGHC was 11 days.

Resident Liaison

- The Mears Customer Care Department are continuing to support all activities within the contract depending upon the residents requirements

Customer satisfaction

- Asert are continuing to work with and develop on the information they provide to the partnership.
- Customer Satisfaction - 99% of residents have rated the service they receive as either excellent or good.

Learning Modules

- Operatives have received an update on safeguarding
- Monthly tool box talk are being delivered to all operatives and supervisors by the Customer Care team
- All staff regularly receive updates from Mears Senior Management Team

Serving Our Communities

- Eagles Community Foundation received a cheque for £2,000 to support their activities
- The refurbishment of the toilet block at Leam Lane Methodist Church was completed
- Mears attended the Teams Community Festival

(Update – Quarter 2 Customer care)

- Bensham Grove Adult Learning Centre - renovation of kitchen and bathrooms undertaken by apprentices and mentors
- Leam Lane Community centre – project completed to install DDA toilet and ladies toilets
- Proposed project at Warwick Court – decoration of the communal lounge

Health and Safety

All accidents or incidents are reported on the Mears accident data base and all investigated in line with organisational procedures.

During the first quarter there has been the following number of incidents

Minor = 8

Major = 4 (3 asbestos disturbances & 1 falling from steps)

Health and safety audits are undertaken on a monthly basis on all areas of the contract.

It is important for the partnership to ensure we comply with all environmental requirements. Mears have partnered with Network waste to ensure they maximise the recycling within the contract.

Month	Total tonnes	Diverted tonnes	Percentage recycled
April 2013	169.144	164.649	97.34
May 2013	189.933	184.829	97.31
June 2013	148.866	144.361	96.97

(Update – Quarter 2 Health and Safety)

Supervisors are currently undertaking a 5 day health and safety course. Asbestos awareness and scaffold safety refresher training is being rolled out to all operatives.

ICT

- Mears appoint updated to show greater visibility of available resource
- Work programmes – all programmes within Northgate and MCM mirror each other's requirements.
- Invoice tolerances on VAT between systems have all been concluded
- Variations – work is still on going to ensure SOR's are fit for purpose

Partnership Service Improvement

A partnership improvement group including customers have identified improvements to the service. Actions have then been prioritised to decide which can be delivered in 2013/14. The service improvement plan includes:

- Implement a customer focussed appointment system for responsive repairs
- Achieve high levels of customer satisfaction with the responsive repairs service
- Mears to support the TGHC community fund
- Delivery of resident trade based courses in partnership with Gateshead College
- Small tasks service to be provided to vulnerable residents

(Update – Quarter 2 Partnership Service Improvement)

The work is underway to deliver on the service improvement plan. Joint operational meetings with Mears and TGHC continue to develop service improvements.

Gateshead Scorecard

Gateshead Monthly Management Data													Ytd	Target
Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13			
RIDDOR reportable accidents	1	0	0	1	2	1	0	0					5	0
Lost Time Accidents	2	0	0	0	1	0	0	0					3	0
Minor Accidents	1	1	1	1	1	3	5	2					15	0
Near Misses	0	0	0	0	1	1	0	1					3	0

% of emergency, urgent and routine repairs completed within their timescale				95.93%	96.24%	96.69%	98.49%	97.44%					96.93%	98%
% overall tenant satisfaction with the service provided by the TGHC Home Repairs Service?				98.33%	98.42%	97.18%	96.91%	97.40%					97.76%	97%
% appointments made as a percentage of appointable repairs (first contact)				88.07%	87.77%	84.86%	78.36%	82.10%					84.27%	98%
% appointments kept as % of appointments made (2 hour)				90.50%	90.41%	87.29%	95.07%	95.38%					91.53%	98%
% of repairs completed at first visit				93.51%	93.27%	92.73%	93.88%	93.62%					93.40%	91%
% of relevant properties that have had a gas service in the last 12 months				100.00%	99.96%	99.94%	99.93%	99.87%					99.87%	100%
Average minor void repair turnaround time (working days)				12.24	15.51	19.32	24.48	22.73					18.86	11
Average major void repair turnaround time (working days)				57.00	57.50	48.00	51.00						53.38	33
% of AD1, AD2 & AD3 aids & adaptation jobs completed within their timescales				100.00%	100.00%	100.00%	100.00%	100.00%					100.00%	90%

No of Complaints Received	14	22	14	21	17	19	14	18					139	
No of Justified Complaints	5	19	11	16	7	8	11	11					88	
% Justified Complaints	36%	86%	79%	76%	41%	42%	79%	61%					63.3%	
No of Community Initiatives undertaken	0	0	1	2	0	4	7	1					15	

% of locally employed staff				76.0%	76.0%	76.0%	76.0%	76.0%					76%	
No of locally employed staff				252	252	252	252	252						
No of toolbox talks delivered				8	6	13	18	10					55	
No of apprentices on contract				22	22	22	22	21					21	
No of Work Placements on Contract				0	0	0	0	0					0	
% of Multi Trade Operatives on Contract				2.1%	2.1%	2.1%	2.1%	2.1%					2.1%	
No of Gateshead tenants working for ASERT				3	3	3	3	3					3	
No of recognised training courses attended				0	7	6	3	4					20	
No of Learning Modules communicated to staff				0	0	1	3	1					5	
No of Safeguarding referrals				0	0	0	0	0					0	



Report to Assets, Development and Investment Committee

17 October 2013

Title: Forward Plan

Report of: Director of Customers and Communities

Purpose of report

1. To note the forward plan of reports which will be presented to Assets, Development and Investment Committee during the next year.

Background

2. There is currently no system in place to make the committee aware of reports it will receive at future meetings.
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. There are no equality and diversity implications directly arising from this report.

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.

Assets, Development and Investment Forward Plan

Customers and Communities Committee	Issues to be discussed
13 February 2014	<ul style="list-style-type: none"> • Capital Update 2013/14 – end of third quarter • Repairs and Maintenance Contract – Third Quarter Review 2013/14 • Gas Servicing
June 2014 (date still to be agreed)	<ul style="list-style-type: none"> • Capital Update 2013/14 – end of final quarter • Repairs and Maintenance Contract – Review of Second Year 2013/14
October 2014 (date still to be agreed)	<ul style="list-style-type: none"> • Capital Update 2014/15 – End of Second Quarter • Repairs and Maintenance Contract – First Quarter Review 2014/15