



The Gateshead Housing Company
Working with Gateshead Council

RESOURCES COMMITTEE

5 November 2013

PRESENT:

Directors

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

Advisers

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

25 DECLARATIONS OF INTEREST

No declarations of interest were declared.

26 MINUTES

The minutes of the last meeting of the committee held on 10 September 2013 approved as a correct record.

27 WHISTLEBLOWING POLICY

The Human Resources Committee approved an updated Whistleblowing Policy at its meeting held on 21 October 2009. The Policy has not been reviewed since then.

A recent Internal Audit review of counter fraud highlighted that the current policy needed updating, particularly in respect of changes introduced as a result of the Enterprise and Regulatory Reform Act 2013.

The Act made a number of changes to the present whistleblowing legislation. These changes took effect from 25 June 2013 and are now reflected in the policy.

An updated policy was submitted. Details of the key changes to policy were reported.

RESOLVED – That the Board be recommended to approve the updated Whistleblowing Policy, subject to

- The number of days that the Whistleblowing Officer will take to acknowledge a concern raised be reduced from '10 working days' to '5 working days'.
- The reference in the policy to dealing with serious or sensitive concerns about wrongdoings such as 'unauthorised use of TGHC money' being amended to 'unauthorised use of TGHC money or assets'.
- The reference to the 'HR and Admin Team' picking up messages in the Whistleblowing Officer's absence being amended to 'a nominated deputy'.
- Clarification being sought from the trade unions as to why they wanted disclosures to still to be made in 'good faith' and the policy be updated as necessary.

28 TRANSFER OF ACCOUNTS – FORMER TENANT ARREARS

Periodically, the Council transfers former tenants arrears considered irrecoverable into a debtors account. This entails setting off an amount against the bad debts provision held in the Housing Revenue Account.

During this financial year, the sum of £116,095 has been recovered from former tenants. This transfer is the first of two instalments in 2013/14 and comprises of £171,551 debits and £88,153 credits.

Since April 2008, 1,454 cases considered unrecoverable through the internal recovery team and totalling £2,565,479 have been passed to external debt collection agencies. However, these agencies have only managed to collect £93,037 so far from transferred cases. The agency's fees are set at a flat rate of 22% regardless of their contact method. As a result, the Company will be retaining more cases regarded as unrecoverable or uneconomic to pursue internally as a further stage before being considered for transfer to a debtors account.

There are currently 244 cases where tenants have been declared bankrupt or have applied for debt relief orders and debts on their rent accounts have been transferred to separate bankruptcy accounts. The total outstanding on these accounts is £289,056. None of the debts on bankruptcy accounts have previously been transferred to a debtors account. The Company is currently in discussion with Gateshead Council as to how these accounts will be treated in the future.

RESOLVED – That Gateshead Council be recommended to transfer £83,398 of former tenants' arrears into a debtors account.

29 MANAGEMENT ACCOUNTS – SECOND QUARTER 2013/14

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

The revenue accounts show a surplus for the year so far of £70,000. This is mainly due to an increase in income received for the rent and income performance fee, which has increased from the budgeted figure of £650,000 to £759,000 for the year.

The repairs accounts are overspent based on forecasted budget to date. Income is matched against expenditure in repairs, so no overspend is shown. The current overspend against forecast is mainly due to an increase in the number of voids and an increase in the number of responsive repairs orders.

The Company is working closely with Mears and the Council to manage this budget effectively for the remainder of the year. A working group has been set up to look into the reasons behind the increase in repairs orders and how it can ensure that the overall spend with Mears is within budget by the end of the financial year.

The numbers of orders raised for vacant properties in the second quarter is 949 compared to 775 for the same period last year. This continues to be due to the impact of welfare reform changes on tenancy terminations.

If the current level of void expenditure continues, forecast spend is likely to be £5.47m by the year end compared to budget of £4.08m, a potential £1.39m overspend. Discussions are still ongoing with the Council around how any overspend will be funded at the year end and void expenditure continues to be closely monitored.

- RESOLVED – (i) That the management accounts for the second quarter 2013/14 be noted.
- (ii) That details of how the forecast for voids is calculated be reported.

30 SICKNESS ABSENCE AND HUMAN RESOURCES UPDATE

The committee received an update on general human resources initiatives and developments from 1 April to 30 September 2013.

The total sickness absence for the period equates to 3.52 days per person compared to 4.22 days for the same period last year, which is a reduction of 16.59%.

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 1.45 days per person and long term absence was 2.07 days. This compares with 1.47 days short term absence and 2.76 days long term absence for the same period last year. This represents a reduction of 1.36% in short term absence and a reduction of 25% in long term absence.

The biggest cause of absence was post operation recovery with 353 days lost compared to 236 days lost last year, an increase of 33.07%.

Stress related absence was 145 days for the period, compared to 590 for the same period last year. This equates to a 75.42% reduction.

134 days of stress related absence was reported as non work related stress, which equates to 92% as non work related absence and 8% work related absence.

The Company has held 13 short term sickness absence review meetings in the period, which resulted in three first written cautions and one second written caution being issued.

Four long term absence review meetings were held in the period and this has assisted the return to work of two of the employees.

Details of health and wellbeing initiatives, other human resources initiatives, worklife balance, investigation and disciplinary, grievances, bullying and harassment, probity incidents, recruitment, the Child Care Scheme, working with the Council's Economic Development Team and updated Redundancy and Redeployment Policies in line with the Council were reported. The health and wellbeing initiatives included the Company working towards the Better Health at Work Award with an assessment for Bronze level taking place in December 2013.

Details of learning and development activity including employee benefits, sharing best practice, Best Companies, IIP mini-diagnostic, coaching, qualifications, customer service training, health and safety and ICT training were also reported.

The committee felt that the Board needed to start dialogue with the Council's Director of Public Health and the links between housing and public health and impact of welfare reform on health. Reference was also made to recent discussions at the Health and Wellbeing Board around low level mental health. It was noted that the Public Health Team had sent out a flyer on developing strategies on low level mental health and the committee would receive feedback at its next meeting. In addition, it was noted that the Board had earlier agreed to begin dialogue with the Director of Public Health at its Planning Day, which is taking place on 9 December 2013.

- RESOLVED –
- (i) That the information be noted.
 - (ii) That the working towards the Better Health at Work Award be welcomed.
 - (iii) That the committee receive feedback on developing low level mental health strategies at its next meeting.

31 MEARS APPRENTICESHIPS

Mears Plc outlined in the bid for the contract that they would build on their track record of investing in apprenticeships and work experience schemes by developing a Joint Employment Skills Plan (in conjunction with TGHC) . Mears

gave a commitment to employing a minimum of 1 apprentice per £1m annual turnover in Gateshead.

As a consequence, Mears has partnered with Gateshead College on both the recruitment process and the provision of relevant training courses for apprentices to support the delivery of the apprenticeship scheme. Details of background information on the 27 apprentices currently employed within Mears were reported.

To support the delivery of the apprentice scheme Mears and Gateshead College have developed an apprenticeship scheme and introduced an apprenticeship selection process, details of which were also reported.

Gateshead College have recently nominated Mears as the Employer of the Year in the National Apprentice Awards.

A regular meeting has been established with Gateshead Council's job linkage team, Mears and TGHC to review the development of the apprenticeship scheme and consider the contribution Mears make to the training and skill development of their workforce.

Discussions are underway with Mears, Gateshead College and Gateshead Council regarding February 2014's intake of apprentices.

RESOLVED – That the apprentice activity undertaken by Mears Plc in partnership with Gateshead College linked to the repairs contract in Gateshead be noted.

32 HEALTH AND SAFETY UPDATE

The committee received an update on health and safety activities for the period July to September 2013.

A review of the corporate risk assessment to develop a simplified user friendly process has started.

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.

A number of joint health and safety site visits have taken place with Mears and no significant areas of weakness were identified. A number of minor recommendations and areas of improvement have been agreed for implementation.

There have been seven minor accidents to TGHC employees and no major accidents were reported. There have been 11 minor accidents to 3rd party/sub-contractors and one major accident reported. There have been three near misses reported where operatives have encountered suspicious material, later identified to contain asbestos.

During the period, Gateshead Council has carried out an internal audit of the Asbestos Management process. Three medium priority recommendations were identified.

During the period, there were four reported incidents of accidental disturbance of Asbestos Containing Materials. Incident reviews have taken place with partners to mitigate further risk and prevent reoccurrence.

A Fire Safety Management Policy has been developed with the Tyne and Wear Fire and Rescue Service (TWFRS) setting out the Company's approach to fire safety management in compliance with the Fire Safety Order 2005.

There have been joint visits of the Company and TWFRS in Sheltered Housing and the work programme for the buildings is progressing with several schemes completed during this reporting period.

Fire safety improvement works to 19 Multi Storey Blocks are now complete with the handover of Regent Court sprinkler system.

To date, 13 out of 25 water hygiene risk assessments have been completed in High Rise Buildings and 17 out of 42 low medium rise and Sheltered Housing have been completed. A schedule of proposed recommendations from findings are currently being considered and remedial works planned.

The periodical meetings with Gateshead Council's Local Environmental Services and TGHC are progressing with the monitoring of the delivery of the cyclical maintenance programme for 2013-14.

There were seven reported lift entrapments in the period with passengers being released to the agreed service standard response time.

There are 10 construction related projects ongoing with notifications to the HSE. During this period, joint visits to working sites have taken place and found to be working to agreed site rules and regulations.

The committee received an update on Health and Safety Legislation Changes. In particular, it was noted that the Health and Safety Executive (HSE) has formally implemented changes to simplify the mandatory reporting of workplace injuries for businesses and formally implemented changes to simplify First Aid Regulations.

RESOLVED – That the information be noted.

33 EQUALITY AND DIVERSITY – UPDATE

The committee received a summary of equality and diversity work within the organisation in 2013/14 to date.

There are a number of activities that have taken place within the last period which support the three overall goals.

In respect of the goal to maintain a corporate commitment to equality issues, information around leadership, procurement and contractors, the review of the Single Equality Scheme and the Annual Report were reported.

In respect of the goal to work in partnership with customers and stakeholders to deliver equitable services, information around knowing our customers, the Community Fund and supporting national diversity events were reported.

In respect of the goal to being an equal opportunities employer with a representative workforce, information around personal detail reviews, the Stonewall Workplace Equality Index and Mears Employability Project Work were reported.

- RESOLVED –
- (i) That the information be noted.
 - (ii) That an update on the Sheltered Scheme tenant led budget be reported to Customers and Communities Committee.

34 HOUSEMARK BENCHMARKING RESULTS 2012/13

The committee received the cost and performance information as detailed in the '2012/13 HouseMark Summary of Benchmarking Results' report.

Housing providers are able to choose which peer group to benchmark against and to maintain consistency the Company decided to benchmark initial 2012/13 data against the same Metropolitan peer group used in previous reports.

HouseMark have also offered to develop further bespoke benchmarking reports for 2012/13. These reports will be available in November 2013 and the Company has chosen to benchmark against all ALMO organisations.

The report showed a Value for Money and Performance Summary for the main business activities of the organisation. This included Overheads, Major Works and Cyclical Maintenance, Responsive Repairs and Voids, Housing Management and Estate Services.

Cost and performance data was categorised into quartiles and traffic light indicators were used as per convention to signify high performance and low cost as green, however, average or higher than average costs might be acceptable or even desirable where this was consistent with furthering business objectives, performance or user satisfaction.

- RESOLVED –
- (i) That the findings of the report be noted.
 - (ii) That the committee receive a report at a future meeting on measures the Company has taken to address the less positive findings where the Company is in a lower quartile.

35 DATE AND TIME OF NEXT MEETING

The next meeting of the committee will be held on Tuesday 25 February 2014 at 2pm.

36 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 Category 1 of the Company's Access to Information Rules.