



RESOURCES COMMITTEE

24 February 2015

PRESENT:

Directors

John Hamilton (Chair)
Sheila Bouitieh
Elizabeth Bird
Robert Buckley
George Clark
Mick Davison
Tracy Harrison

Advisers

Jon Mallen-Beadle	Managing Director
Neil Bouch	Director of Customers and Communities
Natalie Hewitt	Head of Corporate Services
Jennifer Aston	Support Services Manager
Louise Taylor	Involvement and Diversity Manager
Debbie Taylor	Support Officer

Apologies

Kathryn Ferdinand

36 TRACY HARRISON

Tracy Harrison was welcomed to her first meeting of the committee since being appointed onto the Board as an Independent Director.

37 MINUTES

The minutes of the last meeting of the committee held on 4 November 2014 were approved as a correct record.

38 MATTERS ARISING – HEALTH AND SAFETY UPDATE

The committee had been provided with a response to the queries raised at the last meeting in relation to fire alarm tests.

39 BUDGET 2015/16

Following the submission of the Company's management fee paper and subsequent meetings, the Council has agreed to pay the Company fees totalling £32.759 million for the 2015/16 financial year, consisting of £13.485 million for the management fee and £19.274 million for the repairs fee.

The management fee for 2015/16 has increased from the £30.561 million agreed in 2014/15. The Council agreed to pay the additional management fee to cover the 2.2% pay award to employees, additional posts to prepare and manage the impacts of welfare reform and universal credit, costs associated with the extension of the repairs contract, an increased painting programme and other specific budget pressures.

Additional management fee has been agreed in relation to additional posts required to manage and mitigate the impact of universal credit, to manage the extension of the repairs contract and also to extend the temporary posts in relation voids that were approved at a previous committee. Approval is required by the committee to recruit to these additional posts and extend the temporary posts agreed previously for an additional year.

A statement showing the proposed balanced budget for 2015/16 together with, for comparison purposes, the 2014/15 annual budget was submitted.

The committee asked why there was an inflationary 7.5% increase in electricity charges based on advice from the Council. It was agreed that a response would be provided to the committee as soon as possible.

- RESOLVED –
- (i) That the Board be recommended to approve the revenue and repairs budgets for 2015/16, subject to formal confirmation of the fees by the Council.
 - (ii) That the committee receive further updates about any subsequent changes to the budget.
 - (iii) That the extension of the temporary posts agreed as part of the 2015/16 management fee agreement be approved.
 - (iv) That the committee place on record its thanks to all employees involved in receiving such a positive report.

40 VALUE FOR MONEY STRATEGY

A Value for Money (VFM) Strategy 2012-15 was approved by the Board on 20 March 2013.

An updated Strategy has been developed with the Value for Money and Environmental Management Service Improvement Group (SIG).

The Strategy has been produced to detail how VFM is defined and how this links in to the regulatory framework as set out by the Homes and Communities Agency (HCA).

The Strategy details the Company's approach to meeting VFM and how that is embedded in the Company's culture.

It was noted that the stock condition survey would be a key part of value for money moving forward and would be included in a future VFM Strategy.

- RESOLVED – That the Board be recommended to approve the updated VFM Strategy.

41 SOCIAL MEDIA POLICY

The Company has successfully used social media for some time to engage tenants and stakeholders through the Communications Team in a controlled environment. However, it is aware that many of its employees regularly use social network sites such as Facebook, Twitter, Instagram and Myspace outside the direct control of the organisation.

A Social Media Policy has been developed to provide guidance on personal use of social media in work and outside of work. A copy of the Policy was submitted.

The Policy applies to all employees and Board Members of the Company and Keelman Homes.

- RESOLVED – (i) That the Board be recommended to approve the Social Media Policy and that it be reviewed annually.
- (ii) That the committee receive updates on progress.

42 DATE AND TIME OF MEETINGS 2015/16

RESOLVED – That the following schedule of meetings in 2015/16: -

Tuesday, 5 May 2015 at 2pm
Tuesday, 8 September 2015 at 2pm
Tuesday, 3 November 2015 at 2pm
Tuesday, 23 February 2016 at 2pm

43 MANAGEMENT ACCOUNTS – THIRD QUARTER 2014/15

The committee received an update on the management accounts for the third quarter of the financial year 2014/15.

The Management Accounts Revenue shows a surplus for the third quarter of £419,000. This is due to an increase in income from properties owned by TGHC, slippage on vacant posts, one off credits for communal gas supplies and overhead budgets where spend will not be realised until later in the year.

The £402,000 under spend on employee costs is mainly due to slippage on vacant posts.

The overhead costs are under budget by £81,000 to the third quarter. This is mainly due to one off credits received in relation to communal gas supplies and budgets that are traditionally not spent until later in the year.

It is being forecasted that overheads will come in £259,000 over budget for the year due to increased costs being incurred at Keelman Homes, prior to it being handed back to the landlord, and a full year charge being made for the Civic Centre (when budgets were based on eight months).

A one-off contribution to the Credit Union of £30,000 has also been requested in relation to assisting with set up costs of the new premises in Gateshead Town Centre and support to TGHC in preparation for the implementation of universal credit.

At the year end, it is being forecasted that the revenue budget will have a surplus of £113,000 overall.

The overall position for repairs at the end of the third quarter is an under spend of £740,000. Although the position at the end of the third quarter would suggest that spend is reducing since last year, there are still some areas of concern within the budget and it is currently being forecasted to be overspent by £356,000 by the end of the financial year.

- RESOLVED –
- (i) That the committee's is satisfied with the financial management of the revenue and repairs budgets for the third quarter of the 2014/15 financial year.
 - (ii) That the one-off contribution of £30,000 to the Credit Union be approved.
 - (iii) That the committee place on record its thanks for a very detailed report and the good work on the part of officers.

(Note: Mick Davison declared an interest in this matter due his involvement with the Credit Union and withdrew from the room during consideration of this item only).

44 SICKNESS ABSENCE AND HR UPDATE

The committee received an update on general HR initiatives and developments from April to December 2014, including sickness absence and learning and development activity.

The total sickness absence for the period equates to 6.26 days per person, compared to 5.52 days for the same period last year, which is an increase of 11.82%.

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 2.67 days per person and long term absence was 3.59 days. This compares with 2.14 days short term absence and 3.38 days long term absence for the same period last year. This represents an increase of 19.85% in short term absence and an increase of 5.85% in long term absence.

The biggest cause of absence for the period was stress related with 491.50 days lost compared to 373 days lost last year. This is an increase of 24.11%.

270.05 days of stress related absence was reported as non work related stress. This equates to 54.94% as non-work related absence and 45.06% work related absence.

Of the 491.50 days lost to stress related absence, this equated to 20 employees, 12 of which reported non-work related stress and eight reported work related stress.

Post operation related absence was 461.20 days for the period, compared to 516 days for the same period last year. This equates to a 10.62% decrease.

The Company has held 24 short term sickness review meetings during the period which resulted in three first written cautions and one final written caution being issued and two existing cautions being issued. 17 long term absence review meetings were held in line with procedure two during the period.

In February 2014, the Company headquarters co-located in Gateshead Council's Civic Centre. The co-location has meant that there are some difficulties in delivering the same service in the new location. The most pressing concern is room availability and confidentiality to deliver the two weekly occupational health appointments and delivery of wellbeing initiatives.

Gateshead Council offer occupational health referral and review with slot in appointments with a qualified Doctor, OH nurse or counsellor. Several meetings have been held with the Council to consider sharing services. Whilst it is difficult to compare like with like, it is considered that efficiencies to be gained if the Council provides a comparable service to Service Medical. The cost of the Council's service provision is £9.70 per employee (c. £3,113.70 for 321 employees) to include physiotherapy, which is a reduction on the cost per employee for Service Medical.

The Company has discussed the importance of close working relationships with the Council to help it develop individual and companywide solutions and initiatives which may fall outside of a service level agreement. The Council is supportive of the Company's approach and have confirmed they will do all they can to work with it on this aspect of activity.

Options for the service include remaining with the current provider Service Medical and to manage the concerns about room availability and confidentiality or to appoint Gateshead Council to provide an occupational health and wellbeing service which would result in an overall efficiency saving.

Having considered the difficulties with the current service provision, it is proposed that Gateshead Council be appointed to deliver an Occupational Health service as part of a Service Level Agreement (SLA).

The committee also received details of other initiatives and developments, work life balance, investigation and disciplinary, grievances, bullying and harassment, probity, recruitment, the Childcare Scheme and learning and development activity.

- RESOLVED – (i) That the committee is satisfied with the update on sickness absence and HR developments.
- (ii) That Gateshead Council be appointed to deliver Occupational Health Services in an SLA with effect from 1 March 2015 for a period of 12 months and to receive updates on progress.

45 HEALTH AND SAFETY UPDATE

The committee received a report on the following health and safety activities for the period October to December 2014: -

- Partners activity

- Accident reporting
- Asbestos management
- Fire safety management
- Legionella Control
- Fire alarm systems and sprinkler system
- Emergency lighting
- Non domestic gas boilers
- Bin chute fire shut off tests and inspections
- Lightning protection inspection
- Lift maintenance
- Company construction related activities
- Health and Safety Legislation changes

At the July 2014 Board Meeting, a number of proposals relating to the future delivery of health and safety were approved. An action plan was developed to monitor progress against the proposals and an updated action plan was submitted.

Reference was made to the five activations of the fire alarm at Regent Court. It was noted that the kitchens face out onto the corridors and smoke from these can sometimes set off the fire alarm in the corridors.

The committee asked if the information in future updates could be consistent and relate to the same reporting period.

RESOLVED – That the committee is satisfied with the update on health and safety activities for the period October to December 2014.

46 EQUALITY AND DIVERSITY – UPDATE

The committee received a summary of equality and diversity work within the Company in the third quarter of 2014/15.

The Company continues to collect a range of information from customers to understand the communities it is working in and ensure that it can plan services effectively.

In the latest assessment of Customer Service Excellence, the Company's approach to customer insight and using this information to shape and target service delivery was highlighted as an area of strength.

The Board received, at its meeting in November 2014, information from the Let's Get Digital Survey which provided information about the access a sample of TGHC tenants and leaseholders have to online services.

Following on from this survey, the Company has commissioned a customer insight project to look at information across all its tenants and leaseholders to develop a better picture of how ready customers will be to access online services and in particular to be able to apply for Universal Credit when this is rolled out.

The Company is due to receive the report of this work in mid-February, the results of which will be reported to a future meeting of this committee.

In the last quarter, the Company began the refresh of all employees' equality and diversity e-learning.

The company recently received the results of this year's Stonewall Workplace Equality Index which measures how LGBT inclusive organisations are. The framework for the index was revised this year which has seen the Company fall in the index, scoring 79 out of 200 this year, compared to 128 out of 200 last year. Whilst this may seem like a significant drop, this has been discussed with the Stonewall Workplace contact who has confirmed that following the update of the framework this has happened across the majority of organisations submitting information.

A meeting has been set up with Stonewall to get specific feedback about the Company's submission and identify an action plan to improve for 2015/16. Further information will be brought to a future meeting of this committee.

The Company has continued to work with partner organisations to promote equality issues within the community.

Following development of the Company's five year plan, it will be working with tenants and leaseholders to develop its Equality and Inclusion Strategy.

The Company has held initial discussions with a local organisation Tyne Trans about how it may be able to work together to understand some of the issues that affect its trans tenants and deal with issues effectively.

RESOLVED – That the committee is satisfied with the equality and diversity activity carried out in the third quarter of 2014/15.

47 DATE AND TIME OF NEXT MEETING

The next meeting of the committee will be held on Tuesday, 5 May 2015 at 2pm at Gateshead Civic Centre.

48 EXCLUSION OF THE PRESS AND PUBLIC

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