



The Gateshead Housing Company Assets, Development & Investment Committee

Thursday, 18 February 2016 at 2pm
Room S21, Gateshead Civic Centre, Regent Street, Gateshead
Agenda

Item	Business
1.	Apologies for Absence
2.	Declarations of Interest
	<u>ITEM FOR DECISION</u>
3.	Minutes and Matters Arising (Pages 3-8) To approve as a correct record the minutes of the last meeting of the committee held on 4 November 2015
	<u>ITEMS FOR INFORMATION</u>
4.	Performance and Service Standards – Quarter 3 2015/16 (Pages 9-14) Report of Director of Customers and Communities
5.	Housing Capital Programme (Pages 15-19) Report of Director of Customers and Communities
6.	Proposed Capital Programme 2016/17 – 2020/21 (Pages 20-25) Report of Director of Customers and Communities
7.	Repair and Maintenance Contract – End of Third Quarter 2015/16 (Pages 26-36) Report of Director of Customers and Communities

Item	
8.	Cyclical Maintenance and Compliance – End of Third Quarter 2015/16 (Pages 37-43) Report of Director of Customers and Communities
9.	Forward Plan (Pages 44-46) Report of Director of Customers and Communities
10.	Items for Future Meetings
11.	Date and Time of Next Meeting To be agreed



ASSETS, DEVELOPMENT AND INVESTMENT COMMITTEE

4 November 2015

PRESENT:

Directors

Joanne Carr (Chair)
Eileen Gill
Helen Hall
Peter Mole

Advisers

Neil Bouch	Director of Customers and Communities
Phil Gallagher	Head of Investment and Development
Kevin Johnson	Head of Customer Services
Phil Hogg	Repairs Service Manager
Steve Cook	Investment Manager
Russell Urwin	Planned Investment Manager
Stuart Gibson	Governance and Risk Officer

Also in attendance

Ian Price	Mears
Chris Tearney	Construction Services, Gateshead Council

Apologies

Mick Davison

9 APPOINTMENT OF DEPUTY CHAIR

RESOLVED – That Helen Hall be appointed as Deputy Chair of Assets, Development and Investment Committee until the first meeting after the next Annual General Meeting.

10 MINUTES

The minutes of the meeting of the committee held on 18 June 2015 were approved as a correct record.

11 PERFORMANCE AND SERVICE STANDARDS – QUARTER 2 2015/16

The committee received the second quarter's Performance Indicators and Service Standards results for 2015/16.

There were currently 13 key Performance Indicators and Service Standards that will be reported to this committee on a quarterly basis.

At the second quarter: -

- Seven indicators were traffic lighted green, which showed that the annual targets had been achieved for these indicators. This was a decrease from eight at the same period last year.
- One indicator was traffic lighted amber, which showed that the target set had not been met but performance had increased on the previous year. This was comparable to performance the same period last year when there was also one amber indicator.
- Two indicators were traffic lighted red, which showed that the target set had not been met and performance had decreased compared to the previous year. This was also comparable to performance in the same period last year when two indicators were traffic lighted red.
- Three indicators were not yet measurable or were set with a baseline target.

The performance results therefore indicated that at the second quarter, performance relating to eight out of the 10 measureable Performance Indicators and Service Standards could be traffic lighted as on target or improving, which related to 80% of indicators. This was a slight decrease in performance compared to the same period last year, when 82% of indicators were on target or improving.

RESOLVED – That the committee is satisfied with the second quarter 2015/16 Performance Indicators and Service Standards results.

12 REPAIRS AND MAINTENANCE CONTRACT – END OF SECOND QUARTER 2015/16

The committee received an overview of the repairs and maintenance contract during the first six months of the two year extension period.

There have been benefits in having two contractors working on vacant property repairs, particularly in terms of driving up performance. There have been significant improvements in performance in getting properties ready right first time. In addition, the backlog of relet works that had built up in 2014/15 has now been cleared. There were 277 properties with the contractors undergoing relet work at the start of the year (and a high figure of 294 in September 2014) but this had reduced to 150 by the end of September 2015.

The committee asked if there were any specific reasons for this. It was noted that there was a now a friendly rivalry between Construction Services and Mears which had helped to improve their performance. In addition, each year Mears had a Service Improvement Plan and last year it focused on voids, which initially meant dealing with the backlog as quickly as possible. There were also fresh eyes from Construction Services.

There are challenges in aligning all of the systems necessary to operate the repairs and maintenance contract, including those that enable performance reporting and invoicing. Having more than one contractor increases the complexity of this.

During the initial three years of the repair contract with Mears, information on repair orders had been passed to and from each party's IT systems via a suite of interfaces. Mears have provided performance results and working papers for repairs performance indicators. TGHC have monitored and produced performance on vacant property repairs. Invoices are regularly sent and received using the current interfaces. These existing interfaces will be phased out and replaced with a more advanced system (known as "BARIS"). Development and testing has been carried out with Mears and the new system will be implemented in November 2015.

There have been some issues and delays in the interfacing of systems with Construction Services and temporary "workarounds" have been utilised to ensure that works orders could be raised. The workarounds are not designed for high volumes of activity and there is a risk of occasional data errors but there have not been significant issues in the carrying out of repair work. Development work to implement the BARIS interfaces is still ongoing. There are still areas of development around the writing of performance reports and further work to be done around the management of and system for invoicing. Monitoring of vacant property repairs is carried out within TGHC systems, so performance comparisons in this area have not been affected.

All indicators relating to repairs carried out by Mears are on target, with the exception of gas servicing (which has a 100% target). Once paperwork had been received there were 10 remaining properties where a conclusion had not yet been reached due to difficulties in gaining access.

The formal review document was submitted.

The committee asked if there had been any cases where there had been insufficient stock on a van that had prevented a job from going ahead. It was noted that there had not and Mears had completed review by trade and by area, which tenants should soon see the benefit of.

Missed appointments continued to be an issue for both the Company and the Board. It was noted that Officers were working with Communications to produce literature to send to customers highlighting the real costs of these. The committee suggested also highlighting what could have been done if these appointments had not been missed.

The committee suggested that a briefing note on good news stories be sent to elected members. It was stressed that elected members had a lot of say and the Company could get wider communication out through them.

RESOLVED – That the committee is satisfied with progress on the management of the repairs and maintenance contract to the end of second quarter 2015/16.

13 CYCLICAL MAINTENANCE AND COMPLIANCE – END OF SECOND QUARTER 2015/16

The committee received an update on cyclical maintenance activities and compliance monitoring in the first two quarters of 2015-16.

The cyclical maintenance activities for 2015/16 aim to reduce response times and to lower call-out charges, as well as identifying high expenditure trends for inclusion in planned maintenance programmes. A number of work plans are in development to address areas of high expenditure which have been identified in previous reviews. Details of specific work areas commenced during this period were reported.

In the period, 373 of 375 (99%) water hygiene inspection/ treatments have been completed by Construction Services.

In the period, 48 of 56 (85%) quarterly inspections have been carried out to multi storey blocks and sheltered housing communal areas.

918 of 949 (97%) of weekly fire alarm tests have been carried out to multi storey blocks and sheltered housing communal areas.

Performance on gas servicing continues to be both a high risk area for the Company and a priority area for continuous improvement. It remains an increasing trend for some tenants to not readily allow access for an annual gas service, despite repeated attempts, and publicity around the potential risks. The committee asked if it could see this at a future meeting.

Within this period, Mears have passed across 222 properties that have been classed as “no access” and referred to TGHC to commence warrant process.

The TGHC Gas Service Manager continues to follow available enforcement actions on behalf of the local authority, compiling a number of pre warrant applications. As a result of this pre-warrant activity, the majority of properties were accessed without progressing to full warrant. Only 22 warrants were finally served.

At the end of the period, 99.70% services were reported as completed with 55 properties reported as overdue for service. A proportion of these overdue services are as a result of delays in processing manual paperwork. The Gas Service Manager continues to work with Mears to reduce the timescale of administrative processing at month end.

Having subsequently received compliant paperwork, and continued to pursue customers for access, the actual number of appliances that are out of time at the date of writing this report is 10 with warrants obtained for all of them on 23 October 2015.

At the meeting of Audit committee on 14 October 2015, the committee discussed no access around Gas Servicing in depth and requested an update on the cost of no access. This information will be reported to the next round of committees.

The Gas Safety in Use Regulations were amended in April 2015 with an implementation date of April 2016 for the changes to take effect. The proposed changes makes reference to how landlords treat appliances deemed at risk, specifically where tenants may have sleeping arrangements in close proximity to gas appliances.

Existing arrangements allow for the monitoring of appliances that are classed as ‘Not To Current Standards’. Under the new changes this is no longer an option

and these appliances may have to be isolated if appropriate safety devices are not fitted.

The Company is assessing the impact of these changes both operationally and from a budget perspective. It is also consulting with other housing providers in readiness for April 2016 when the enforcement of the regulations take effect.

The committee asked if the Company spoke to the best performers about how they are performing better with access to properties for gas services. It was noted that the Company had introduced new methods as a consequence but it was still not reducing the number of repeat offenders.

It was noted that Mears were developing a national scheme which it would share with Gateshead.

The committee asked why the Company needed to go through seven stages before issuing a warrant to gain access. It was noted that the new IT system would enable the Company to reduce this process and get into properties earlier but still meet its legal obligation.

The committee suggested that other communications to customers could be used to remind their customers to have an annual gas service.

RESOLVED – That progress on the management of the cyclical maintenance at the end of second quarter 2015/16 be noted.

14 HOUSING CAPITAL PROGRAMME – QUARTER 2 2015/16

The committee received an update on the delivery of the 2015/16 Housing Capital Programme at the end of second quarter for 2015/16.

In particular, a summary of health and statutory obligations, maintaining decency, energy works and other priorities were reported.

The committee raised the issue of partnership working with the Fire Service to support customers with vulnerabilities. It was noted that there was continuing work in this area. A joint meeting on 9 November 2015 to discuss continued fire safety within Multi Story blocks and the Company have recently joined a Tyne and Wear group that is producing a good practice guide for use of sprinklers, with the Fire Service being heavily involved in this. One of the key areas was preventative strategies for vulnerable customers.

The committee asked about the refurbishment of the mid-rise flat entrance door and door entry. It was noted that the Company was also keen to review the door entry system in low and high rise blocks in order to have a consistent approach across the Company.

RESOLVED – (i) That the committee is satisfied with the position at the end of second quarter of the 2015/16 Capital Programme.

(ii) That the committee receive further reports on progress and activity against the programme at the end of both the third quarter and year end for 2015/16.

15 DATE AND TIME OF NEXT MEETING

The next meeting will be held on Thursday, 18 February 2016 at 2pm in Room S21 at Gateshead Civic Centre, Regent Street, Gateshead.



Report to Asset, Development and Investment Committee

18 February 2016

Title: Performance and Service Standards – Quarter 3 2015/16

Report of: Director of Customers and Communities

Purpose of Report

1. To inform the Committee of the quarter 3 Performance Indicator and Service Standard results for 2015/16.

Background

2. As part of the Board Away Day on 24 October 2014 it was agreed that 2015/16 Performance Indicators and Service Standards would be linked to the five-year TGHC Business Plan and would be scrutinised by the relevant committee, with a summarised report being taken to Board.
3. At the meeting on 19 March 2015, the Board were presented with and approved a structure of which Performance Indicators and Service Standards should be reported to each individual committee.
4. At the Board meeting on 17 September 2015, the Board approved the proposed rationalisation of Performance Indicators and Service Standards and the revised reporting structure to Committees and Board.
5. The Appendix contains the quarter 3 Performance Indicators and Service Standards results and full commentary. These indicators and the targets were agreed for 2015/16 by the Board at its meeting on 19 March 2015.
6. Since November 2015 performance results have been collated via the APEX performance management system. As a result the format of the Appendix has changed.
7. The results are colour coded, comparing performance against the targets for 2015/16.
8. This Committee will escalate any concerns regarding performance against the agreed Performance Indicators and Service Standards to the TGHC Board, on a quarterly basis, for further discussion.

Summary Report

9. The grid at the beginning of the Appendix is a quick summary guide to how we are performing. It shows those Performance Indicators and Service Standards that are achieving target, not achieving target, not achieving target but improving on 2014/15 performance results and those indicators that are not yet measurable or baseline for 2015/16.
10. We currently have 58 Performance Indicators and Service Standards which are monitored on a quarterly basis. Each indicator will be discussed at the appropriate Committee as follows, with an overall summary being presented to Board:
 - Resources Committee – 12 indicators
 - Customers and Communities – 33 indicators
 - Assets, Development and Investment Committee – 13 indicators
 - Audit Committee - none

Asset, Development and Investment Committee - Performance Indicator Summary

11. There are currently eight Key Performance Indicators that will be reported to Asset, Development and Investment Committee on a quarterly basis.
12. At quarter 3, our performance shows:
 - Four indicators were traffic lighted green. This shows that we have achieved the annual targets for these indicators. This is a decrease from six at quarter 3 2014/15.
 - One indicator was traffic lighted amber. This shows that we have not met the target set but performance has increased on the previous year. This is comparable to performance at quarter 3 2014/15 when there was also one amber indicator.
 - No indicators are traffic lighted red. This shows that we have not met the target set and performance has decreased compared to the previous year. This is comparable to performance in quarter 3 2014/15.
 - Three indicators are not yet measurable or are set with a baseline target which is an increase from two at quarter 3 2014/15. Of these, one indicator will be reported at year end, one will also be reported at year end and is baseline and one is reported quarterly which is also baseline line for 2015/16.
13. The performance results therefore indicate that at quarter 3, performance relating to 5 out of the 5 measureable Performance Indicators can be traffic lighted as on target or improving, which relates to 100% of indicators. This is comparable to performance in quarter 3 2014/15.

Asset, Development and Investment Committee - Service Standards Summary

14. There are currently five Service Standards reported to Asset, Development and Investment Committee on a quarterly basis.
15. At quarter 3, our performance shows:

- Four indicators were traffic lighted green. This shows that we have achieved the annual targets for these indicators. This is an increase from two at quarter 3 2014/15.
 - No indicators are traffic lighted amber. This shows that we have not met the target set but performance has increased on the previous year. This is comparable with performance at quarter 3 2014/15.
 - One indicator was traffic lighted red. This shows that we have not met the target set and performance has decreased compared to the previous year. This is a decrease from two at quarter 3 2014/15.
 - All indicators were measurable at quarter 3 2015/16. This is comparable with performance at quarter 3 2014/15.
16. The performance results therefore indicate that at quarter 3, performance relating to 4 out of the 5 measureable Service Standards can be traffic lighted as on target or improving, which relates to 80% of our Service Standards. This is an increase in performance compared to quarter 3 2014/15, when 50% of indicators were on target or improving.

Link to values

17. This performance report is aligned to the Company values of being: -
- Fair
 - Customer focused
 - Open and honest
 - Accountable
 - Innovative
 - Passionate about what we do

Impact on tenants

18. Performance of the company has an impact on the quality of services we provide to our customers.

Risk Management Implications

19. Performance improvement and providing excellent customer service is a priority for the company. Our operational risk 'Inaccurate Performance Reporting' is mitigated through management sign off of the performance and service standards results and we are also required to report performance to the Council as part of the management agreement. Key indicators are also included within the TGHC five-year strategic plan 2015-2020.

Financial Implications

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

Health Implications

21. The provision of excellent customer service and ensuring high satisfaction with the service we provide may have an indirect positive impact on the health and wellbeing of Gateshead Residents. Monitoring indicators in relation to ensuring

that homes are let quickly will have a positive impact on the health and wellbeing of those tenants on the waiting list. Other indicators may also have an indirect positive impact on the health and wellbeing of Gateshead residents.

Environmental Implications

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

Equality and Diversity Implications

23. Our service standards are developed in consultation with tenants and leaseholders to ensure that all of our services are accessible to all of our customers. We continue to collect diversity information about our customers, helping us shape our services around their needs, which are reported as part of the Involvement Update report.

Value for Money implications

24. Performance against target provides an indication of value for money and the performance indicators and service standards assist The Gateshead Housing Company in its focus on ensuring value for money for all tenants and leaseholders.

Consultation carried out

25. There was no consultation carried out relating to this report.

Recommendations

26. The views of the Committee are sought as to whether they are satisfied with the quarter 3 2015/16 Performance Indicators and Service Standards results.
27. Any concerns regarding performance against the agreed Performance Indicators or Service Standards are escalated to the TGHC Board for further discussion.

The Gateshead Housing Company - Performance Report Quarter 3 (2015/16)

	Quarter 3 2015/16
Not on Target	1
On Target	8
Not on Target but Improved	1
Baseline Info/No Targets/No Activity	3

Service	Performance Indicator	Performance Indicator Type	2014/15 Performance	Quarter 3 Target	Quarter 3 Performance	Trend	Traffic Light	Comments
Assets, Development and Investment Committee								
HomeRepairs	Appointments made as a percentage of appointable repair orders	Key Performance Indicator	99.68%	98.0%	99.45%	↑		Of the 34,753 appointable repairs, 34,561 were appointed at the first point of contact.
HomeRepairs	Appointments kept as a percentage of appointments made	Key Performance Indicator	96.90%	95.0%	96.31%	↓		Of the 39,915 appointments made 38,441 were kept within the 2 hour appointment slot.
HomeRepairs	% of emergency, urgent and routine repairs completed within timescale	Key Performance Indicator	98.32%	98.0%	98.04%	↓		Of the 44,210 jobs, 43,342 were completed on target. The overall 98.04% performance is made up of the following repair categories: emergency 96.19%: urgent 98.91% and routine 98.28%. TGHC and Mears have commenced working on reviewing gas repairs and their impact on performance in line with customer expectations.
HomeRepairs	Percentage of tenants satisfied with the repair service	Key Performance Indicator	97.72%	97.0%	98.63%	↓		Of the 5,770 surveys completed, 5,691 customers were satisfied.
Cyclical Maintenance	% of relevant properties that have had a gas service in the last 12 months	Key Performance Indicator	99.75%	100.0%	99.96%	↑		18,121 appliances required a service. Of the 7 outstanding gas services, all 7 properties progressed to warrants through the legal process.
Asset and Procurement	Average SAP rating of dwellings	Key Performance Indicator				N/A		Performance results for this indicator are provided by the Council and results vary during the year. It accumulates to an annual performance result that is reported in quarter 4. SAP was previously reported using 2004 methodology, but is now available and will be reported using the 2009 methodology. As the 2009 calculation takes greater account of new energy homes the performance of our SAP will appear to be lower due to this methodology change. Performance will not have fallen, the calculation method and criteria has merely changed. The improvements delivered through the housing capital programme continue to deliver energy efficiency improvements. To reflect the changes in performance reporting this indicator target will be changed to 'Baseline' for 2015/16.
Asset and Procurement	of council housing stock with a current condition survey	Key Performance Indicator			10.0%	N/A		This is a new indicator for 2015/16. Collecting stock condition information supports the maintenance of the housing stock, reducing and anticipating future works expenditure, supports the Asset Management Strategy and planning of the Housing Capital Programme. Initial surveys were undertaken by Ridge as part of the work to refresh the Asset Management Strategy. Following the reconfiguration of the asset management database a new stock condition survey has been developed and launched. Training was delivered in early January on the new format and additional surveys are planned through to the year end.

Service	Performance Indicator	Performance Indicator Type	2014/15 Performance	Quarter 3 Target	Quarter 3 Performance	Trend	Traffic Light	Comments
Asset and Procurement	% of Council rented properties that are not decent	Key Performance Indicator	.0%	.0%		N/A		This indicator measures the number of properties that are not achieving the decency standard. The aim is to ensure that all properties are decent and customers have homes that are modern, efficient and sustainable Performance for this indicator varies during the year and accumulates to an annual performance result that is reported in quarter 4.
Assets, Development and Investment Committee								
HomeRepairs	Satisfaction with the service from the small tasks team	Service Standard	100.0%	99.0%	100.0%	→		Excellent performance for the Small Tasks Team, achieving the target set. During quarter 3 the Handyperson Service carried out a variety of small tasks. Jobs completed were - fitting curtain poles, towel rails & coat hooks, hanging a mirror, fixing a washing line, fixing a bolt & replacing door handles. All customers surveyed were satisfied with the service they received.
Cyclical Maintenance	Overall satisfaction with the annual gas service	Service Standard	98.54%	98.50%	99.66%	↓		4,361 survey responses were received with 4,346 customers being satisfied with the service.
Investment	Tenants satisfied with improvements made to their home	Service Standard	99.42%	98.50%	98.0%	↑		The number of surveys conducted is dependent upon the number of improvement works programmed, carried out and completed within the reporting period. During the first quarter, 2 tenants expressed dissatisfaction with the overall improvements and, as a result a limited number of surveys in quarter 2 this meant that the expressions of dissatisfaction had a significant impact on performance (quarter 2, 96.08%). The number of improvements completed in quarter 3 doubled and as a result the number of surveys conducted and the overall performance has increased to 98%. Meetings are held monthly to discuss progress with the Maintaining Decency Programme and any areas of dissatisfaction.
Investment	We will advise you within two weeks if you require any building regulation or planning permissions	Service Standard	100.0%	95.0%	100.0%	→		2 alterations required building or planning permission and received a response within timescales.
Investment	We will monitor the length of time taken to acknowledge improvement requests (one working week)	Service Standard	95.72%	97.0%	97.35%	↑		453 applications were received and 441 were acknowledged within timescale.



Report to Assets, Development and Investment Committee

18 February 2016

Title: Housing Capital Programme

Report of: Director of Customers and Communities

Purpose of Summary

1. To provide the committee with an update on the delivery of the 2015/16 Housing Capital programme at the end of quarter 3. This report provides the committee with progress on individual schemes and details on property numbers that will benefit from improvement works, in the current year.

Background

2. The Housing Revenue Account (HRA) capital programme is approved by Gateshead Council on an annual basis. On the 5th February 2015, a revised Housing Capital Programme was approved for the period 2015-2020. This approved the major budget headings and available funding to support investment over the next five years but is subject to annual review and will be informed in future years by the findings of the current stock condition exercise. The revised five year capital programme went to Cabinet on 9th February and is subject to a separate report to this committee.
3. The capital programme is established and managed by the Investment and Development service. This involves identifying schemes and prioritising capital investment based on stock condition and repairs history and managing the performance of 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. The main delivery partner on the capital programme is Gateshead Council's Construction Services (CS).

2015/16 Capital Programme – Summary

Health and Statutory Obligations

4. Following the appointment of Kone, works have commenced to deliver H&S improvements across a number of Multi Storey blocks that will ensure lift maintenance engineers can undertake work in a safe environment. These works commenced in November and will run through until April 2016.
5. Additionally, full lift refurbishments will be carried out on both lifts at Mulgrave Villas Sheltered Scheme and Peareth Court's North Lift. Refurbishment works will commence in March and are expected to complete autumn 2016.

6. The Electrical upgrade works are continuing well at Warwick Court and will complete early April 2016. The electrical works consists of both communal and individual flat rewiring.
7. Equality Act works to 7 communal lounges in sheltered schemes are currently being delivered with works now complete at Kays Cottages, Emmaville, Bolton Bungalows and Burnside Road. The remaining schemes at Milvain Close and Harrison Court will commence mid-February and complete March 2016.
8. Equality Act works to Redheugh and Eslington Court are progressing well with works on track to complete late March 2016. Works compromise of installing level access ramps to the main entrance doors, floor covering refurbishment, stair tread replacement and additional handrails installed to stairwell and landing areas.
9. Fire Safety improvement works are being delivered at Redheugh and Eslington Court in conjunction with the Equality Act works programme. The work being delivered is communal fire door refurbishment.
10. We are now in the final stages of delivering a works programme to all 25 multi storey blocks installing non-combustible cable clips to cable runs in communal areas. The clips being installed will prevent cable runs sagging in the event of a fire and are being carried out in response to previous incidents that have occurred elsewhere. Tyne and Wear Fire and Rescue Service (TWFRS) are very supportive of the works as they will ensure safe means of access in the event of them attending an incident.

Maintaining Decency Budget Head

11. The Maintaining Decency programme is comprised largely of internal upgrades to properties with individual elements such as electrical re-wiring, heating replacement, kitchen replacements and bathroom renewals.
12. 6 estates were initially due to receive Maintaining Decency Works in 15/16 with 2 estates completed to date.
13. Following a decision to defer Regent Court Façade Refurbishment works additional investment priority estates were identified and introduced under this budget head. A further 63 properties on Dunston Road Estate and 42 properties at Hodkin Gardens are now programmed to receive internal refurbishments commencing later this month.
14. Two additional schemes to deliver further external enveloping works packages at Stoneygate Estate and a targeted number of properties within the Springwell Estate will now benefit from façade treatment and roof refurbishment works.
15. In addition to the now 10 programmed estates, a number of other estates had works in progress having commenced in the previous financial year of which have now been subsequently completed.
16. 592 properties in total will receive improvements this year.

Energy Budget Head

17. A significant package of internal and external works was carried out to 147 properties at St James' Village. This scheme commenced September 2014 and is in the final stages of delivery. Properties on the scheme have received flat roof renewal, window replacements and insulation measures to both communal areas and individual flats where condensation issues have been evident previously.
18. A scheme is in development to deliver boiler replacement at 8 Aged Person's Units. 3 schemes have been designed and are being delivered during the months of January through to April 2016. The remaining five will form part of the Capital Housing Programme 2016/17 and 2017/18.
19. Approximately 215 non-traditional properties will benefit from external wall insulation measures during 2015/16. The works improve thermal efficiency and help customers experiencing high fuel costs. This type of investment to hard to heat, non-traditional properties will continue in future years as a priority. The works this year are currently being delivered at High Lanes and Heworth Grange.
20. A contract at South Sherburn is being mobilised that will undertake works on a small number of non-traditional Airey house types. The works proposed will involve removing the existing uninsulated concrete panels and rebuilding in a traditional form of construction. Renewal of the roof coverings and windows will also be undertaken that will provide a thermally efficient home for the residents and bring the properties up to modern standards. Works are to commence late February 2016 completing in the summer.
21. Similar to the South Sherburn contract, we are to commence late February 2016 delivering a bespoke works package that will refurbish 9 non-traditional Tarran bungalow house types at Highfield. The works will consist of external wall insulation and window replacement that will result in a thermally efficient home.
22. Roofing insulation measures are being applied to a house type that has a particular roof style known as a 'T Fall'. Due to the nature of the design a section of roof cannot be traditionally insulated requiring internal insulation measures to be applied to the cold areas. This will eradicate the current cold bridge that is resulting in surface condensation with 255 homes benefitting this year. This work was identified to address recurring condensation issues that were being tackled through responsive repairs visits and is expected to see a reduction in repairs activity and cost.
23. The Painting Programme is continuing with an increased budget allocation for this year. Both Mears and Construction Services have an equal allocation with an overall investment programme of £1.5M.

Other Priorities

24. Tunstall Carecall Scheme – 10 schemes will benefit from upgrades to the Carecall system during 2015/16 with all works programmed to complete in February 2016.
25. Window Replacement – There is continued planned investment in window refurbishment this year with a works programme consisting of 479 properties. A number of the properties are requiring structural opening support identified through survey. Works are on-going and are expected to complete late March 16.

26. Mid Rise Flat Entrance Door and Door Entry Refurbishment – A contract that will focus on low to mid rise blocks is currently programmed to commence later this month. The works designed and specified is to replace communal doors and install a modern door entry audio system. 23 blocks across the borough are set to benefit from the works this year, with the intention to roll out the intercom specification to the multi story blocks in future phases.

Links to Values

27. This report relates to the following company values: -

- Being Fair
- Being Customer Focused
- Being Accountable
- Being Innovative

Impact on tenants

28. Following on from the investment that was made during the Decent Homes programme, we continue to invest in maintaining decency of the housing stock for the benefit of the customers and to sustain the council housing assets.
29. Satisfaction surveys are carried out with all tenants and leaseholders who receive investment works. Results up to the end of quarter 3 show that 98.00% of customers expressed satisfaction with maintaining decency works. Customers receiving windows were also surveyed with 97.73% of customers expressing satisfaction that demonstrates the quality of product and installations.
30. Customers will benefit from the Equality Act works improving entrance access, finishes, and toilet facilities to communal areas.
31. Customers will continue to benefit from increased fire safety measures that will provide a safer home environment.

Health Implications

32. The improvement works detailed in this report, in particular replacement windows and improvements to the thermal efficiency of homes, will reduce the risk of customers living in cold damp homes, reducing the risk of heart, stroke, respiratory and cold related illness.

Environmental Implications

33. Through the Maintaining Decency, Insulation and one off heating replacement schemes, properties that have the oldest most inefficient heating systems have received replacement boilers this year. The EWI schemes to harder to heat properties along with window replacement works will reduce substantial carbon emissions through reductions of heating usage.

Risk Management Implications

34. 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 provide a safer environment

for lift engineers undertaken R&M will mitigate risks to our contractors. Equality Act works will mitigate against risks to customers.

35. The fire safety works that are being delivered in our Multi Storey stock will address the deficiencies that were identified by officers from TGHC and the Tyne and Wear Fire and Rescue Service and will mitigate risks in our properties.

Financial Implications

36. The capital programme is delivered within existing budget although, we are constantly looking at opportunities to maximise value for money and attract additional funding to supplement capital delivery.

Equality and Diversity Implications

37. The Equality Act works will deliver accessibility works to 7 sheltered blocks and 2 multi storey blocks
38. Measures include improved entranceways, communal finishes as well as fully accessible toilet facilities

Value for Money Implications

39. Value for money is a key driver 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 competitive 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

40. Consultation has been carried out for:-
 - The lift refurbishment works at Mulgrave Villas with customers being advised of the nature of the works whilst taking the opportunity to assess customer needs.
 - The internal Prior to Paint programme.
 - Ward Councillors have been updated and advised of the Capital scheme proposals in their wards.

Recommendations

41. The committee is asked to:
 - comment on satisfaction with the position at the end of quarter 3 on the 2015/16 Capital Programme;
 - receive further reports on progress and activity against the programme at the year-end for 2015/16.



Report to Assets, Development and Investment Committee

18 February 2016

Title: Proposed Capital Programme 2016/17-2020/21

Report of: Director of Customers and Communities

Purpose of summary

1. To provide the committee with an update on the proposed Capital Programme for the period 2016-17 – 2020/21, which was approved by Gateshead Council's Cabinet on 9 February 2016.

Background

2. As part of the self-financing process, it is important to balance the capital expenditure needs with the resources that are available within the Housing Revenue Account (HRA).
3. Gateshead Council approved a five year Housing Capital Programme for the period 2015/16 to 2019/20 on 5 February 2015. This programme is subject to ongoing review to ensure that the planned investment remains a high priority and can be supported by the resources available within the HRA.
4. The housing capital programme is a rolling programme which is funded by revenue raised from rents. As a result of the Government policy to reduce rents the capital programme has been reduced in the coming years. The proposed allocation of resources from the HRA to support a Capital Programme for the next five years (2016/17 to 2020/21) is set out in the appendix.
5. The reductions in the projected level of rental income over the medium term have meant that previous investment plans have been re-prioritised and some of the proposed allocations have been re-profiled and reduced in order to reflect the resource constraints. Based on the existing HRA Business Plan and taking account of the proposed £5.7m savings included, it is estimated that £94m will be available to support capital investment within the HRA over the next five years. The position regarding the HRA balance will continue to be reviewed to determine whether any additional capital investment can be supported
6. The planned investment in the Housing Capital Programme is flexible and is subject to ongoing review which is informed by the outputs from stock condition surveys.
7. The proposals approved by Cabinet include: -

- A Housing Capital Programme totalling £94.4m over five years, which will be kept under regular review by Cabinet.
 - Over £59m of investment in undertaking estate based major works in accordance with the Decent Homes standard, including the replacement of kitchens, bathrooms and electrical improvements in addition to a £4.5m programme to replace back boilers in a phased manner following a change in legislation and almost £4m to continue the rolling window replacement programme.
 - Almost £17m of investment in general stock improvements, including the renewal of lifts, communal electrics and investment in external insulation to improve thermal efficiency of existing dwellings as well as the continuing provision of major and minor adaptation works to dwellings.
 - Over £13m of investment in exceptional extensive works, including £4.5m to replace the façade and boilers within Regent Court as well as a proposed contribution towards an £11m energy efficiency scheme seeking to undertake improvements to some of the Council's tower blocks.
 - £3m of potential investment relating to the delivery of contingent major works which deal with additional improvements that have been identified outside of the pre-planned schemes, such as additional boiler replacements.
 - £2m is retained to complete the decommissioning of former estates as part of the ongoing Estate Regeneration projects at Clasper Village, Bleach Green and Dunston.
8. The following principles continue to be applied to assist in prioritising capital investment within the HRA:
- Health and safety, safeguarding and statutory requirements.
 - Investing in identified decent homes improvements, including window replacement.
 - Improving the sustainability and energy efficiency of the housing stock; and
 - Estate regeneration.
9. Opportunities continue to be explored to attract external funding, to undertake additional stock improvements and energy efficiency improvements. These works help to increase the sustainability of the Council's housing stock whilst ensuring the HRA is not required to meet the full cost of the scheme given the constraints on the resources within the HRA.
10. The proposed programme includes investment in innovative energy efficiency improvements to Harlow Green and Bensham Court tower blocks as part of a proposed £11m project to provide low carbon, low cost heating systems.
11. The proposals will include undertaking fabric improvements and implement a Combined Heat and Power (CHP) heating network at Harlow Green and a Ground Source Heat Pump system at Bensham Court and requires a total contribution of £4.3m (including window replacement) from the HRA to support the scheme.
12. The ability to proceed with the project as envisaged will be dependent upon the success of an ERDF funding application, which is seeking £3.3m of external resources. Alternative delivery options will be considered in the event that the current funding application is not successful.
13. The capital programme and the priorities within, continue to be developed and managed by the Investment and Development service. Schemes are prioritised based on stock condition, repairs history and performance data

14. In order to continue ensuring that spend is aligned to priorities, a rolling programme of stock condition surveys will be undertaken, building on the 10% sample that was carried out during 2015. This will ensure asset data accurately reflects the investment needs of the stock.
15. Budget headings within the programme have been re-classified to align with best practice and CLG guidance. This aligns expenditure with the categories identified by Ridge in their stock condition sample.
16. The overriding priority in terms of investment is the drive to maintain sustainable properties in line with the Decent Homes Standard. A Decent Home is defined by the following criteria:
 - Criterion A: the dwelling meets the Housing Health & Safety Rating System (HHSRS) minimum standard for housing
 - Criterion B: the dwelling is in a reasonable state of repair
 - Criterion C: The dwelling has reasonably modern facilities and services
 - Criterion D: the dwelling provides a reasonable degree of thermal comfort
17. The revised headings reflect that investment across a range of budgets contributes towards maintaining the stock to a decent standard.
18. In the face of a reduced but balanced HRA capital programme, it will be challenging to maintain decency to the levels achieved under the decent homes programme. The investment projections that Ridge identified were far in excess of the available budget. In order to ensure that re-investment is properly targeted and prioritised over the next five years, a rolling programme of stock condition surveys, is strongly recommended so that works programmes can be prioritised on a “worst first” basis going forward.
19. Based on the stock condition data that is being gathered, a revised baseline position for decency will be reported at year end. This will need to be monitored going forward to ensure investment remains targeted in the right areas.

Links to Values

20. This report relates to the following company values: -
 - Being Customer focused
 - Being Open and honest
 - Being Accountable

Impact on tenants

21. Having concluded the Decent Homes programme in 2011, we continue to invest in maintaining decency of the housing stock to protect the asset and to benefit customers.
22. The standards laid down by the decent homes standard continue to inform the approach to investment.

Health Implications

23. There are no adverse health implications arising out of this report. The capital programme will enable us to ensure that properties remain free from hazards under the HHSRS.

24. Improvement works that will be delivered throughout the next five years, will have a significant impact on the health and wellbeing of customers, in particular works to improve the thermal efficiency of properties through boiler and window replacements and insulation works. A specific budget has been included to replace boilers that will be potentially deemed as being unsafe to maintain, following a change in regulations that comes into effect in April 2016.

Environmental Implications

25. Through the maintaining decency programme and the one off heating replacement works, properties that have the oldest most inefficient heating systems will receive replacement boilers. The energy efficiency works along with window replacement works will reduce substantial carbon emissions through reductions of heating usage.

Risk Management Implications

26. 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.

Financial Implications

27. The capital programme has been revised in line with the HRA business plan and the revised projections based on rent reductions and welfare reform impacts.

Equality and Diversity Implications

28. The Equality Act works delivered will improve accessibility to stock that we manage.

Value for Money Implications

29. 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

30. Customers and locally elected members will be consulted on any capital schemes that are delivered under this programme.

Recommendation

31. The views of the committee are sought on the revised five year capital programme.

Capital Programme 2016/17 to 2020/21

Project	16/17 (£'000)	17/18 (£'000)	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)
Improvement Works					
Lift Replacement/Refurbishment	700	500	500	500	500
Replacement of Communal Electrics	250	250	250	250	250
Boiler Plant Renewal	200	200	200	300	300
External Wall Insulation Works to Non-Traditional Properties	455	210	0	400	0
T-fall Insulation	150	150	120	0	0
Warden Call Renewal	250	250	250	250	250
Door Entry System Upgrades	250	250	250	250	250
Adaptations	1,500	1,500	1,500	1,500	1,500
Total Improvement Works	3,755	3,310	3,070	3,450	3,050
Exceptional Extensive Works					
Equality Act Works - Multi Storey Flats	250	250	250	250	250
Equality Act Works - Communal Lounges	50	50	50	50	50
Fire Safety Works - General	100	100	100	100	100
Tower Block Energy Efficiency Improvements	2,000	285	3,265	0	0
Regent Court	1,500	1,500	1,500	0	0
Risers (Services)	400	400	400	400	400
Total Exceptional Extensive Works	4,300	2,585	5,565	800	800
Catch Up Works and Major Future Works					
Decent Homes - Investment Programme	6,500	6,500	6,750	7,000	7,500
Decent Homes – Backlog/Ad-hoc Works	300	300	300	350	350
Back Boiler Renewal	1,000	1,000	1,000	1,000	500
Programme Management	1,000	1,000	1,000	1,000	1,000
Strategic Maintenance	2,000	2,000	2,000	2,000	2,000
Window Replacement	750	750	750	750	750
Total Catch Up Works and Major Future Works	11,550	11,550	11,800	12,100	12,100
Contingent Major Works					
One-off Heating Replacement	450	475	475	500	600

Project	16/17 (£'000)	17/18 (£'000)	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)
Timber Replacements	100	100	100	100	100
Total Contingent Major Works	550	575	575	600	700
Estate Works					
Estate Regeneration	2,115	0	0	0	0
Total Estate Works	2,115	0	0	0	0
Total Planned HRA Investment	22,270	18,020	21,010	16,950	16,650



Report to Assets, Development and Investment Committee

18 February 2016

Title: Repair and Maintenance Contract – End of Third Quarter 2015/16

Report of Director of Customer and Communities

Purpose of Report

1. To provide the committee with an overview of the repair and maintenance contract after nine months of the two year extension period.

Background

2. As part of the arrangements for the extension of the contract between Gateshead Council and Mears, opportunities were sought for joint working with the council's Construction Services. Construction Services now carry out vacant property repairs in the East and Central Neighbourhoods, and across the whole borough carry out repairs to flat roofs and boundary works (fences and brickwork).
3. A number of employees have transferred over from Mears to Construction Services to carry out this work. Construction Services are working to the same vacant property targets and specifications as Mears.
4. At the last committee meeting on 4 November 2015 the contract review report for the first six months of the year 2015/16 showed that the new arrangements with two contractors had led to significant improvements in performance in meeting the lettable standard "right first time". Performance was also good against all of the key repair indicators. Gas servicing was an area for discussion by the Committee.

Performance

5. Performance results for responsive repairs and for cyclical maintenance are included on a separate report on the agenda for this committee. These results relate to repairs carried out by Mears. All indicators are on target, with the exception of gas servicing (which has a 100% target).
6. There has been a significant improvement in gas servicing since Quarter 2 when there were 55 addresses classed as non-compliant. At the end of Quarter 3 there were only 7 addresses.
7. Performance on vacant property repairs features in the accompanying contract review document and both Mears and Constructions Services have contributed to

overall improvements in relet timescales and in getting the relet work completed right first time.

Contract Review

8. The formal review document is included in the Appendix to this report. There are sections on:

- Responsive Repairs
- Performance Indicators
- Vacant Properties
- Gas Servicing
- Gas Repairs
- Cancelled Appointments
- Electrical Testing
- Painting and Repairs
- Aids and Adaptations
- Apprentices
- Customer Care
- Learning Modules
- Serving our Communities
- Value for Money
- ICT
- Service Improvement

Links to Values

9. The report links to the values of being:

- customer focused
- open and honest
- accountable

Impact on tenants

10. 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

11. 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

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

Financial Implications

13. The management accounts to end of third quarter 2015/16 will be reported to Resources Committee on 23 February 2016.

14. The overall position for repairs at the end of the third quarter is an under spend of £674,000. Although this would suggest that spend is on target there are a couple of areas of concern. Mears responsive repairs and relets are both over spent, partly due to Mears completing work they received in 2014/15 for which the budget has now transferred to Construction Services. Construction Services budgets are currently underspending partly offsetting the over spend. This area will be monitored closely, but there is a risk of an overall overspend at year end.

Value for Money Implications

15. Value for money was a key factor in the award of the repair and maintenance contract, and in the ongoing review of its operation.

Recommendation

16. The views of the committee are sought on whether the committee is satisfied with progress on the management of the repair and maintenance contract to the end of Quarter 3, 2015/16.

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

CONTRACT REVIEW

April 2015 to December 2015



Working in partnership for you

Overview

The Partnership continues to work together to deliver the Repairs and Maintenance and Vacant Property Service to our customers and at the end of Quarter three we continue to achieve set performance targets across all indicators. Working with two repair partners continues to be beneficial, specifically in relation to performance improvements. At the end of Quarter three we have seen excellent improvements in the performance on work to vacant properties in terms of quality and timescales, sustaining these levels remains the main challenge for the remainder of 2015/16.

Repairs and works to vacant properties continue to be split between the two partners as follows:

Mears

General Repair and Maintenance works

Vacant property repairs to South, Inner West and West neighbourhoods

Construction Services

Repair and maintenance works to flat roofing and boundary treatments (including fencing and walls)

Vacant property repairs to Central and East neighbourhoods

Responsive Repairs

At the end of quarter 3 the number of responsive repairs completed by Mears totalled 44,210 (46,839 including planned jobs). Jobs held from 2014/15 due to budget constraints were fully completed by the end of quarter two; however, quarter three has seen the introduction of budget control measures to protect the remainder of the 2015/16 budget. As a result, non-essential repairs are now on hold. At the end of December there were 741 jobs on hold which equates to approx. £74,000.

Cancelled jobs remain a challenge for the partnership with the main reason for cancelled appointments being no access. In these instances the customer has failed to allow access at the agreed appointment time. The partnership continues to monitor the levels of cancelled appointments, identify trends and aim to reduce numbers as this would benefit both the partnership and our customers.

Both Mears and Construction Services have adapted well to the changes in terms of transferred works and resources and improvements have been seen across the Partnership. We will work with both partners to maintain the high level of standards during the final year of the contract.

From late 2014/15 and throughout quarter 3 2015/16 TGHC have continued to see significant increases in the number of Section 11 Disrepair cases. Disrepair cases take a great deal of surveyor and customer care input and works once agreed must be prioritised to adhere to legal protocol.

During quarter 3 the jobs completed by Construction Services were reviewed with works being cascaded across various sections to ensure in-house delivery and best use of resources.

In an aim to manage the current budget we have introduced a process to hold non-essential external works such as boundary fencing and walls. As at the end of December there were 741 jobs held to value of £74,000. The value and number of held jobs will place additional pressure on the service during 2016/17 in terms of performance and budget.

Performance Indicators

At the end of quarter 3 performance remains positive with all KPI's across the responsive repairs Service delivered by Mears exceeding target.

The number of responsive repairs completed within timescale continued to achieve target at the end of quarter 3 with a result of 98.04%.

Customer satisfaction achieved target at 98.63% by the end of quarter 3, this is a reduction against the quarter 2 result of 99.32%. Of the 5,770 surveyed, 5,691 customers were satisfied with the service they received.

The number of appointments made as a percentage of appointable orders continued to achieve target at the end of quarter 3 with a result of 99.45%, showing a slight improvement against the quarter 2 result of 99.37%.

The number of appointments kept with our customers within the 2 hour appointment slots as at the end of quarter 3 has met target with a result of 96.31% but has seen a reduction since quarter 2. The challenge of customers allowing access at the agreed time remains a challenge.

In an aim to sustain and hopefully improve the performance in Repairs and Maintenance, Mears and TGHC agreed a number of initiatives to investigate during 2015/16. Below are the initiatives and quarter 3 updates on progress for each:

- Identify training needs to upskill/multi skill operatives

Update – Review started in November 2015 and has identified training requirements. A training programme is currently being developed for roll out during 16/17.

- Consideration of mobile technology for supervisors

Update – The roll out of new Samsung Galaxy PDA's across the operatives is to start late February. Supervisors are to be issued with iPads by the end of quarter 4.

- Review of the planner role in the R&M service

Update – A consistent level of support and control is now achieved by the formation of one central team of planners. Resources, knowledge and enquiries are shared accordingly providing a thorough service to TGHC.

Challenges remain at the end of quarter 3 with the alignment of the ICT systems required to effectively manage the Repair Service. As a result, the production of performance information and system invoicing for Construction Services remain outstanding.

Vacant Properties

Delivery on vacant properties in line with KPI's has seen significant improvements since the work was divided between the two Repair Partners. The number of vacant properties remained high during quarter 3 but the turnaround of work has much improved.

By the end of quarter 3 2015/16 there were 797 relets raised for Mears, 725 were completed during this period. Relet performance stands at 14.72 days (33.62 days at year end 2014/15) against a target of 11 days and major work performance at 52.27 days (111.71 days at year end 2014/15) against a target of 33 days. Of all jobs completed by end of December 2015 the number achieving timescale reached 39.72% which was a significant improvement from 4.74% at 2014/15 year end.

At the end of quarter 3 2015/16 there were 577 relets raised for Construction Services, 548 were completed during this period. Relet performance stands at 17.21 days against a target of 11 days and major work performance stands at 37.20 days against a target of 33 days. Of all jobs completed by end of December 2015 the number achieving timescale reached 36.50%.

The partnership has seen a significant improvement in the number of properties that are completed right first time during 2015/16. The table below demonstrates the increase in percentage of properties completed right first time:

	Right First Time Rate (%)
Mears – Year end 2014/15	70.37%
Mears – End of Quarter 3 2015/16	91.45% (89.69% end of Q2)
Construction Services – End of Quarter 3 2015/16	99.09% (98.84% end of Q2)

Joint planning of required works continues to increase partners knowledge of the standard. Instances in which the standard has not been achieved first time continue to be discussed on an individual basis between TGHC and Repair Partners to ensure learning is shared and feedback provided to both Supervisor and operatives.

Performance information on vacant properties is produced by TGHC with all information shared and confirmed with both repair partners to ensure accuracy prior to publishing.

Budget position was monitored throughout quarter 3 with a proposal for high cost / low demand vacant properties being held to control spend. Late in quarter 3 the process was implemented and by the end of December 2015 there were 3 high cost properties, low demand properties held to the value of £48,000. The process is set to continue into quarter 4. In order to maintain costs within the 2015/16 budget it is recognised that should the value and number of held void properties increase significantly this will place additional pressure on the service during 2016/17 in terms of performance and budget.

Gas Servicing

Performance on gas servicing continues to a priority area for continuous improvement. Tenants failing to allow access for annual gas services continue to be a challenge. We have seen significant improvements in the performance at the end of quarter 3 with a result of 99.96%.

At the end of the quarter 3 there were 18,121 properties that required a gas service. Of this only 7 were outstanding at the end of the period. All 7 of the properties progressed to warrant stage through the legal process.

No access continues to be monitored by the Partnership. The Mears no access squad continue to work to keep the overdue LGSR's at a minimum level. The future of this additional level of service will be reviewed via a cost benefit analysis in Quarter 4, with a view to delivering an efficiency saving in 2016/17.

TGHC gas servicing team internal audit was commenced by Gateshead Council in December 2015 and examined procedures for sharing information across the partnership. Early indications were positive with the draft report presented for review at the end of quarter 3. An update on agreed recommendations will be provided in quarter 4 report.

Mears are currently working on a best practice workbook around gas servicing. It is hoped that this will be completed and shared with TGHC in quarter 1 of 2016/17.

The implementation of the gas servicing interface commenced in December 2015, further details can be found in the within the ICT update.

Gas Repairs

Mears continue to call ahead prior to all gas repair visits in an aim to minimise no access but this remains a challenge for the partnership.

With new tenant gas safety checks forming part of the repair service we have seen improvements in the communication with customers and the access rate. Appointments are now booked in 2 hour slots pre-agreed with the new customer.

Mears attended TGHC HomeRepairs team meeting to complete a briefing to assist in the first time diagnosis of gas repairs. A factsheet was then produced by Mears to further support the call centre if the identification of fault finding codes.

Cancelled Appointments

Cancelled jobs continued to be a challenge for the Partnership as at the end of quarter 3 of 2015/16 showing an overall increase in comparison to the same period last year although the number that impact on the repair partner has reduced.

The table below shows the number of cancelled appointments across the Repairs & Maintenance service as at the end of December 2015. These cancelled jobs have a direct impact on our ability to provide a more operationally efficient service. In these instances the operative would more than likely be at the property when the order is cancelled. In total there were 4,741 cancelled appointments which is a reduction of 360 in comparison to the 5,105 reported at quarter 3 of 2014/15.

Cancellation Reason	Q1	Q2	Q3	Total
Building Surveyor Required	9	4	14	27
Cancelled by Mears	38	10	6	54
Job Already Done	26	9	17	52
No Access (tenant did not keep apt)	1101	1094	1444	3639
No Work Required	188	196	267	651
Tenant Refused Access	8	8	16	32
Tenant Refused Job	86	96	104	286
	1456	1417	1868	4741

The number of cancelled appointments due to customers not allowing access continues to increase. Appointments are agreed and confirmed to customer at the point of raising a repair. Customers continue to receive calls and texts in advance of the appointment time in an attempt to gain access. There are occasions when Mears attend, gain access but no work is required. During quarter 4 we will continue to review cancelled orders to identify trends and generate efficiencies.

During the winter period of quarter 3 TGHC completed additional promotional work in customer publications to stress the importance of allowing access. We will continue to monitor no access and trends.

The table below shows the number of cancelled appointments across the Repairs & Maintenance service as at the end of December 2015. These cancelled jobs have no impact on our ability to provide a more operationally efficient service.

Cancellation Reason	Q1	Q2	Q3	Total
Tenant Cancelled Service Request	112	93	99	304
TGHC Instruction	831	1019	945	2795
Incorrect Description of Job	194	230	254	678
	1137	1342	1298	3777

Customers make contact to cancel their appointment in advance of the due date. In these cases there has been no lost operative time and this becomes an administrative task only.

The number of jobs cancelled at the request of TGHC remained high at the end of quarter 3. With the new BARIS interface now live with Mears, additional functionality can be made available to allow TGHC additional control of all cancelled jobs. TGHC are currently working with Mears to develop business processes to support this change.

Electrical Testing

The electrical programme for Mears for 2015/16 consisted of 1,293 electrical testing orders.

At the end of quarter 3 there were 864 completed tests, 82 had been cancelled for no access, 11 had become vacant properties and 4 were on hold pending further attempts to gain access.

Of the outstanding 332 required tests, 238 have been carded due to no access and 94 have not yet been visited.

Electrical testing programme is scheduled on an 8 year cycle rather than the recommended 10 year cycle. Outstanding tests will be carried forward into future programmes.

Painting and Repairs

The Mears painting programme for 2015/16 consists of 1,568 properties. Due to budget control measures TGHC are proposing to postpone the works to 2 estates (Milvain Close estate & Longbank estate), these estates would be completed at the start of the 2016/17 programme. This will be confirmed in the quarter 4 report. Mears are confident that the remaining 1,431 properties will be completed by year end.

Construction Services external programme consists of 1,059 properties, 6 sheltered schemes and a number of mid-rise blocks. At the end of quarter 3, 509 properties were completed. Construction Services are aiming to complete all of the remaining work by year end.

Aids and Adaptations

As at the end of quarter 3 there have been 810 adaptation jobs completed by Mears with performance remaining in target at 99.75% completed in the target timescales.

Apprentices

At the end of quarter 3 there are 18 apprentices on the Mears Gateshead Contract.

During quarter 3 an additional business administrator started with Mears, while 4 multi skilled operatives moved into full time employment.

The breakdown of apprentices at the end of quarter 3 on the Gateshead Contract was as follows:

Plumbers / Gas Plumbers – 5	Plasterer – 3
Electricians – 2	Multi-skilled – 4
Roofer – 1	Decorator – 1
Business Administrator – 2	

Customer Care

At the end of quarter 3 complaints had increased slightly in comparison to quarter 2 to an average of 15 per month. The average time taken to respond to TGHC with supporting information has been on average 6 days during quarter 3.

As issue for our customer from complaints in quarter 3 related to the damage caused to white good during the renewal of kitchens. TGHC and Mears are working with the customers to ensure the working areas are as clear as possible for major works to commence.

The introduction of the BARIS interface has shown an increase in the information available to TGHC during complaint investigations.

Learning Modules

Learning Modules have continued throughout 2015/16 including topics such as:

- Keeping the public safe
- Reduce, Reuse, Recycle
- Managing waste on site

Supervisors and Customer Care Officers have continued to deliver briefings to Operatives via tool box talks and PDA's on general house-keeping and communication.

Serving Our Communities

Mears continue to work with TGHC and its communities to identify suitable projects to receive either financial or labour support.

Barmoor Hub Community Centre is to undergo works to replace all fascia and guttering.

Silverline Community, a Springwell gardening project and they are proposing the installation of an external composting toilet.

By the end quarter 3 a number of donations have been made including:

- £1,000 donated to Gibside School
- £200 donated to Text Santa
- £100 donated to The Children's Heart Unit Fund
- £100 donated to Smile For Life
- Parcels of food delivered to Gateshead food Bank

Mears continue to support the Percy Hedley Foundation and provide valuable work experience opportunities.

Value for Money

With the improvement in the service delivery on vacant properties we are aiming to explore additional efficiencies during quarter 4. Conversations have started with Mears and Construction Services to review the inspection/joint planning process and the use of resources.

The pre-planning of external repair works issued to Construction Services has continued to minimise the number of variations populated while also improving the communication between the partners. Procedures and roles are to be considered during quarter 4 to establish any areas of efficiency in an aim to minimise duplication of works.

ICT

The alignment of ICT between Repair Partner systems and TGHC Northgate system will allow increased functionality to support business processes, increase our ability to embed efficiencies for both Repair Partners and improve the customer journey in relation to the Repair Service.

BARIS interfaces went live with Mears on the 25 November 2015. The interfaces have shown an increase in available information when dealing with customer enquiries. Business processes are to be reviewed to ensure efficiency and best use of systems and minimise user input. With jobs in the old interface outstanding there is an element of dual input required by Mears. It is hoped that when the old interface is closed this will be reduced.

With work continuing on the development of the interfaces and Total system with Construction Services both operational teams worked together to produce a process map describing the delivery model, workarounds and any manual interventions required until BARIS interface goes live.

Temporary workarounds have been used to ensure that customer requests for works orders could be raised and passed to the Partner. Unfortunately the workarounds are not designed for high volumes of works orders and as a result some works orders have gone missing in the systems leading to Corporate Complaints from customers.

At the end of quarter 3 it was planned that the BARIS interface with Construction Services Total System would be ready for go live in early January 2016. At the point of writing this report the interface had gone live as of the 18th January 2016. Progress is being monitored.

The BARIS interface for gas servicing commenced in December 2015, minor amendments to the status update process have been identified. Mears ICT are working towards a resolution that will align both repairs and gas servicing systems into Northgate. Proposed commencement date for the transfer of order raising responsibility for gas services is January 2016 for services due in March 2016.

Service Improvement

Construction Services have now been incorporated into the service improvement discussions and throughout the year the partnership have continued to work together.

Progress to date on key actions:

- New Tenant Gas Safety Checks integration into the Repair Service with 2 hour appointment slots has proved to be a success.
- BARIS interface with Mears went live in November 2015 and go live with Construction Services is planned for early January 2016.

The joint event originally planned for quarter 3, in which all partners were to share thoughts and experiences to celebrate success, identify priorities/improvement and innovations was postponed until the future of the Repair Service is confirmed.

**Report to Assets, Development and Investment Committee****18th February 2016**

Title: Cyclical Maintenance and Compliance – End of 3rd Quarter 2015/16

Report of Director of Customer and Communities

Purpose of Report

1. To update the committee on cyclical maintenance activities and compliance monitoring for the period April to December 2015.

Background

2. Cyclical maintenance covers a range of activities including gas servicing, water hygiene testing, and specialist electrical work. Following on from the cyclical and planned maintenance team's management being aligned with the Investment and Development service, the priorities for 2015 are to continue the integration of cyclical maintenance activity with the wider approach to asset management and planned investment, to ensure investment is targeted and value for money is achieved.
3. This report summarises activity in the period April 2015 – December 2015, and also provides an update on the serving of warrants to gain access for gas servicing.

Cyclical Maintenance 2015-16

4. The activities aim to reduce response times and to lower call-out charges, and identify high expenditure trends for inclusion in planned maintenance programmes. A number of work plans are in development to address areas of high expenditure which have been identified in previous reviews. Specific work areas commenced during this period included:-
 - A Service Level Agreement has been developed and implemented with Construction Services to cover the provision of cyclical maintenance and compliance services. The SLA will generate improvements with the scheduling and reporting of works completed and introduces digital certification management. A faster turnaround of reported deficiencies is already evident, the impact on budgets to be closely monitored.
 - Communal boiler house plant – surveys to multi and sheltered schemes have been carried out and orders placed with construction services to install emergency change over points. This contingency measure means that buildings will be ready to receive temporary heat provision in the event of a main plant failure. Boiler plant renewal is being delivered concurrently through

a rolling programme of planned investment. Some blocks have been omitted, following further surveying by CS who have identified alternative measures should the need arise.

- Aids and Adaptations Stairlifts - officers continue to contribute to a cross service working group lead by the Councils Corporate Procurement team to retender servicing and repairs provision for stairlifts. The tender is progressing with a contract start date expected from April 2016.
- Thirteen Group management of properties - a review of cyclical maintenance arrangements and provision of building management documentation has taken place with the client. We are currently liaising on the management agreements for all managed stock and preparing for the handback of Sunhill Court at the end of March.
- Lift Servicing and Maintenance - mobilisation of the new lift maintenance contractor (KONE) commenced in September 2015. The team continues to work with the new provider to ensure the provision of service remains constant. Lift times in service are being scrutinised and reviewed.
- Water Hygiene risk assessment of dwellings commenced during this period, with Gateshead Council's Design Services commissioned to carry out the work. The programme started in June and is targeting the most at risk customer profile first. 904 risk assessments have been completed by the end of December..
- Asbestos management - officers have assisted in the scoping and development of a re-tender exercise for the management of asbestos in communal areas. The project is being led by the Councils Corporate Procurement Team as part of a Gateshead led framework that other North East local authorities will be contributing to.
- Modifications to water treatment systems in Barford/Stretford Court have been completed. No further water quality issues have been reported and regular sampling by the Councils Water Management Officer confirm this.
- Emergency Lighting Cost Savings – A review of emergency lighting has identified the need to consider replacement of standard lighting in a number of multi story flat communal areas. The findings have been shared with Gateshead Council's Energy team to consider energy efficient replacements, and potential sources of external funding to support future investment. Linked to above, during this period we have agreed a new procedure with Gateshead Council's Construction Services, whereby renewal of failing lamps are to be undertaken as part of other on-site inspections. Potential savings on repeat visits to be quantified over the remainder of this year.
- Emergency lighting testing – efficiency savings have been identified that propose the undertaking of this non-technical function be delivered by onsite teams as opposed to the current chargeable arrangement with CS. This change will contribute to a saving on the Repairs budget for 2016/17.
- Warranty Management - Investigation of warrantied light fittings to 9 multi-storey blocks identified a 22% failure rate, this has resulted in an agreement with the manufacture to fund labour and materials cost. This represents a

saving of £2632 since the agreement was formalised on 5th January. Extended warranty period to be negotiated. Further funding for energy efficient LED replacement units also being explored with the Councils climate change.

- Electricity usage in communal blocks. The team continues to work extensively with Northern Power Grid to document accurate power usage of unmetered supplies in communal areas. This information will assist in the targeting of areas where high expenditure needs to be addressed with more efficient lighting and control systems.
 - Certification Management - specialist subcontractors are beginning to implement measures to provide certification digitally. Barriers to individual ICT requirements, particularly on smaller businesses, are being explored as they are identified in order to realise back office savings for TGHC.
 - Work continues with Construction Services to align contractor order raising and audit processes with the companies reporting periods to ensure certification is available to be reported upon.
 - Assessment of regulation changes to lifts anticipated later in the year. Detail and implications to be provided via specialist consultant as a future update. No further detail available at this time.
5. The table included in the Appendix to this report summarises the position for compliance monitoring this quarter but selected measures detailed below.

Legionella Control

6. In the period 1 April to 31 December 2015, 560 of 560 (100 %) water hygiene inspection/ treatments have been completed by Construction Services.

Fire Alarm Systems and Sprinkler System

7. In the period 1 April to 31 December 2015, 64 of 90 (71%) quarterly inspections have been carried out to multi storey blocks and sheltered housing communal areas.
8. 533 of 542 (98 %) of monthly fire alarm tests have been carried out to multi storey blocks and sheltered housing communal areas.

Gas Servicing and warrants

9. Performance on gas servicing continues to be both a high risk area for the company and a priority area for continuous improvement. It remains an increasing trend for some tenants to not readily allow access for an annual gas service, despite repeated attempts, and publicity around the potential risks.
10. After three unsuccessful attempts to gain access by appointment (confirmed by letter) a property will be deemed “no access” and passed to a dedicated “no access team” within the repairs partner, Mears. Two further visits per week will be attempted over a two-week period before a decision is taken to apply for a warrant to gain access.

11. Within this period Mears have passed across 325 properties that have been classed as “no access” and referred to TGHC to commence warrant process.
12. The TGHC Gas Service Manager continues to follow available enforcement actions on behalf of the local authority, compiling a number of pre warrant applications. As a result of this pre-warrant activity the majority of properties were accessed without progressing to full warrant; only 52 warrants were finally served.
13. At the end of the period 99.96% services were reported as completed with 7 properties reported as overdue for service.
14. A proportion of these overdue services are as a result of delays in processing manual paperwork, the Gas Service Manager continues to work with Mears to reduce the timescale of administrative processing at month end. Additional secure interfaces have been implemented in December to allow certification to move between the partnership and automatically into our management systems.
15. Having subsequently received compliant paperwork, and continued to pursue customers for access, the actual number of appliances that are out of time at the end of the period was 7 with warrants obtained for all of them on 10 January 2016.
16. TGHC have worked with Mears to successfully implement automatic notification of changes in client and property information during June. This resulted in an immediate drop in abortive visits to properties where tenancies have changed or ownership had transferred.
17. At the October Audit committee (14th October 2015) the committee discussed no access around Gas Servicing in depth and requested an update on the cost of no access. It is proposed to commence re-charging for warrant costs from April, but this approach will need to be agreed in consultation with Portfolio Holder and Legal Services. A separate report will be brought to committee once this proposal has been agreed.

Changes in Legislation

18. The Gas Safety in Use Regulations were amended in April 2015 with an implementation date of April 2016 for the changes to take effect. The proposed changes makes reference to how landlords treat appliances deemed at risk, specifically where tenants may have sleeping arrangements in close proximity to gas appliances.
19. Existing arrangements allow for the monitoring of appliances that are classed as ‘Not To Current Standards’. Under the new changes this is no longer an option and these appliances may have to be isolated if appropriate safety devices are not fitted.
20. A number of appliances have been identified as high risk due to no isolation devices and forwarded as an Asset Management referral. A budget has been allocated within the 2016-17 capital investment programme to renew these appliances.

Carbon Monoxide Detectors

21. The management of the carbon monoxide detector programme is linked to the transference of gas servicing administration into Northgate. The project is currently undergoing ICT testing and is scheduled to go live by the end of March.
22. Detectors continue to be installed during capital investment works and under responsive repairs should a customer contact the repairs service to report a unit that has reached the end of its effective life. This is indicated by a slow single beep emitting from the unit, and not an alarm sounding.
23. The use of CO detectors is a back-up precaution; the primary protection against carbon monoxide is the regular servicing and repair of gas appliances.
24. The programme will aim to replace approximately 3000 units per year at an annual cost of £80,000 over the next 5 years.
25. Carbon monoxide detectors are not a mandatory requirement. There has been no amendment to the 2015 regulations surrounding the provision of carbon monoxide detectors in the private rented sector; registered providers of social housing are still excluded from the requirement.

Links to Values

26. The report links to the following company values of being:
 - Accountable
 - Customer focused
 - Open and Honest

Impact on Customers

27. Appropriate preventative maintenance enables reductions in failure rates and response times, which minimises disruption and maintains services for customers.

Risk Management

28. 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

29. Appropriate cyclical maintenance brings positive health implications, for example for vulnerable customers through the enhanced warranty and servicing provision for aids and adaptations.
30. A robust maintenance approach to areas such as gas safety, water hygiene and electrical testing maintains essential services for customers and mitigates against health risks through unplanned disruption.

Financial Implications

31. Cyclical maintenance activity is met from within existing budgets, and is kept under review so that budgets can be provided where additional activity is required.

Value for Money Implications

32. Improved planned maintenance and servicing arrangements are reducing the volume of emergency call outs handled by the service. The service of warrants continues to represent a saving in expenditure.
33. Through ongoing alignment with planned investment, the approach will result in fewer responsive repairs which will reduce expenditure by tackling repairs and renewals in a more cost effective way.

Recommendation

34. The views of the committee are sought on whether the committee is satisfied with progress on the management of the cyclical maintenance, to the end of Quarter 2 2015.

Summary of Compliance Monitoring Quarter 3

Area	Target	Status	Commentary:
Gas Servicing	18,121 appliances	18,164	7 properties did not have a valid certificate.
CO Detectors Installed	18,133	17,732	401 properties to be scheduled to receive a detector.
Lifts in Service	6875	6780	95 Days out of service. Detailed un-planned instances report not available from KONE.
Drainage Surveys to multi blocks	25	0	Surveys scheduled for Q4.
Legionella Control Works	560	560	
Fire Alarm System Inspections (Quarterly)	90	64	Paperwork currently awaiting supervisor audit.
Monthly Emergency Lighting Inspections (Monthly)	542	533	Warwick Court omitted - rewire in progress No documents with CS for internal audit
(Quarterly)	62	61	
Wet & Dry Riser Inspections	26	26	
Bin Chute Fire Shutters	25	25	
Lightning Protection Surveys	26	26	Completed Q2, awaiting certification from CS
SE Ducts (Gas)	1	1	(Regent Court)
Commercial Gas Boilers	34	34	



Report to Assets, Development and Investment Committee

18 February 2016

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. The committee agreed, at its last meeting held on 27 October 2013, that a forward plan of reports it will receive at future meetings become a standing item on every committee agenda.
3. Attached as an Appendix to this report is a forward plan of reports that will be presented to meetings of this committee during the next year. This will not be an exhaustive list of reports and there will clearly be a number of other items of business that the committee will be required to consider during the course of the next year. It will however give the committee an idea of forthcoming business. It will also assist officers when planning in business and meetings to avoid when there is a lot of business.

Link to Values

4. This report relates to the following company value of being open and honest.

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
May 2016 (date still to be agreed)	<ul style="list-style-type: none"> • Performance and Service Standards – End of Year 2015/16 • Capital Programme Update 2015/16 – End of Final Quarter • Repairs and Maintenance Contract – End of Year Review 2015/16 • Cyclical Maintenance Update 2015/16
September 2016 (date still to be agreed)	<ul style="list-style-type: none"> • Performance and Service Standards – End of First Quarter 2016/17 • Capital Programme Update 2016/17 – End of First Quarter • Repairs and Maintenance Contract – First Quarter Review 2016/17 • Cyclical Maintenance Update 2016/76
November 2016 (date still to be agreed)	<ul style="list-style-type: none"> • Performance and Service Standards – End of Second Quarter 2016/17 • Capital Programme Update 2016/17 – End of Second Quarter • Repairs and Maintenance Contract – Second Quarter Review 2016/17 • Cyclical Maintenance Update 2016/17
February 2017 (date still to be agreed)	<ul style="list-style-type: none"> • Performance and Service Standards – End of Third Quarter 2016/17 • Capital Programme Update 2016/17 – End of Third Quarter • Repairs and Maintenance Contract - Third Quarter Review 2016/17 • Cyclical Maintenance Update 2016/17

(*) A new Asset Strategy is currently being developed which will be informed by the Stock Condition Survey currently being carried out. Additional reports that will need consideration by the Committee will flow from this. Details of these will be identified in the Forward Plan once the Strategy has been produced.