



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.