



RESOURCES COMMITTEE

23 February 2016

PRESENT:

Directors

John Hamilton (Chair)
 Robert Buckley
 Sheila Bouitieh
 Elizabeth Bird
 George Clark
 Joachim Moussouanda Mouanda

Advisers

Jon Mallen-Beadle	Managing Director
Neil Bouch	Director of Customers and Communities
Natalie Porthouse	Head of Corporate Services
Jennifer Aston	Support Services Manager
Martin Poulter	Customer Support Manager
Jonathan Graham	Rent and Income Manager
Stephen Foggin	Health and Safety Advisor, Gateshead Council
Stuart Gibson	Governance and Risk Officer

Apologies

Mick Davison
 Tracy Harrison

37 MINUTES

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

38 MATTERS ARISING – HEALTH AND SAFETY UPDATE

The committee was informed that there had been a positive response from partners to encourage their staff to make better use of tablet devices to reduce paperwork.

39 HEALTH AND SAFETY UPDATE

The committee received a summary of the following health and safety activities for the period 1 April to 31 December 2015: -

- Partners Activity
- Accident reporting

- Asbestos management
- Fire safety management
- Legionella Control
- Fire alarm systems and sprinkler system
- Out of hours
- Emergency lighting
- Non domestic gas boilers
- Cyclical repair and maintenance
- Lift maintenance
- Construction related activities
- Safety briefings and alerts issued by Health and Safety Team
- Internal Audit of Health and Safety
- Corporate Health and Safety Policies

The Corporate Health and Safety Action Plan following the 2014 audit were submitted. There are still eight outstanding actions which will be completed by the end of March 2016. The committee was informed that the Company was prioritising first the Priority B findings which represented a major risk.

A new audit schedule is being developed for implementation in April 2016 which will form part of a new health and safety action plan. The plan will place emphasis on the implementation and compliance of the reviewed policies and management information systems.

RESOLVED – That the committee is satisfied with the update on health and safety activities and developments.

40 BUDGET 2016/17

Following finance meetings with the Council and the submission of the Company's management fee paper, the Council has agreed to pay the Company fees totalling £32.328 million for the 2016/17 financial year. This consists of £13.749 million for the management and supervision fee and £18.579 million for the repairs and maintenance fee.

The management fee for 2016/17 has reduced from the £33.713 million provided in 2015/16 following agreement of £1m savings in relation to the management and supervision fee and £853k savings in relation to the repairs and maintenance fee.

A statement showing the proposed balanced budget for 2016/17 together with, for comparison purposes, the 2015/16 annual budget was submitted.

The TGHC Board agreed to the savings proposals in relation to both the management and supervision fee and the repairs and maintenance fee at its meeting on 28 January 2016. The detailed savings proposals were submitted.

The Committee expressed concern about the Council increasing electricity charges by 7% and building and cleaning charges by 5.5% and asked for this to be relayed back to the Council.

- RESOLVED – (i) That the Board be recommended to approve the management and supervision and repairs and maintenance budgets for 2016/17, subject to formal confirmation of the fees by the Council and the committee's concerns regarding the increase in electricity and building and cleaning charges being relayed back to the Council.
- (ii) That the committee receive further updates in relation to any subsequent changes to the budget.

41 TRANSFER OF ACCOUNTS – FORMER TENANTS' ARREARS

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

During this financial year, the sum of £181,875 has been recovered from former tenants, including £37,201 relating to previously transferred accounts, which have been reinstated for recovery purposes.

Using the agreed criteria, it is proposed that 1,386 cases totalling £601,830 in value should be recommended for transfer.

There are currently 1,641 cases relating to sundry accounts where relevant former tenant rent debts have been previously transferred to a debtors account. The total outstanding on these accounts is £371,735.

It is proposed that 475 cases totalling £119,749 in value, relating to accounts created before 1 February 2010, should be recommended for transfer.

There are currently 57 cases where tenants have been declared bankrupt or have applied for debt relief orders and debts on their rent accounts have been transferred to separate bankruptcy accounts. The total outstanding on these accounts is £59,316.

Using the criteria that bankruptcy debts are discharged after one year from the date of judgement, it is proposed that 40 cases totalling £45,779 in value should be recommended for transfer.

RESOLVED – That Gateshead Council be recommended to transfers the following to a debtors account: -

- £601,830 former tenant rent arrears
- £119,749 relating to sundry accounts
- £45,779 relating to discharged bankruptcies

42 PERFORMANCE AND SERVICE STANDARDS – QUARTER 3 2015/16

The Committee was informed of the third quarter's Performance Indicator and Service Standard results for 2015/16.

There were currently eight Key Performance Indicators reported to this committee on a quarterly basis.

At quarter 3:

- Six indicators were traffic lighted green, which showed that the annual targets for these indicators had been achieved. This was an increase from four at the same period last year.
- No indicators were traffic lighted amber, which showed that the target set had not been met but performance had increased on the previous year. This is a decrease from one at the same period last year.
- No 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 a decrease from two at the same period last year.
- Two indicators were not yet measurable.

The performance results therefore indicated that at the third quarter, performance relating to six out of the six measurable Performance Indicators could be traffic lighted as on target, which related to 100% of the indicators. This was an increase in performance compared to the same period last year when 71% of indicators were on target or improving.

There were currently four Service Standards reported to this committee on a quarterly basis.

At quarter 3: -

- One indicator was traffic lighted green, which showed that the annual targets for these indicators had been achieved. This was comparable with the same period last year.
- No indicators were traffic lighted amber, which showed that the target set had not been achieved but performance had increased on the previous year. This was a decrease from one at the same period last year.
- One indicator was traffic lighted red, which showed that the target set had not been met and performance had decreased compared to the previous year. This was an increase from none at the same period last year.
- Two indicators were not measurable.

The performance results therefore indicated that at the third quarter, performance relating to one out of the two measurable Service Standards could be traffic lighted as on target, which related to 50% of indicators. This was a decrease in performance compared to quarter 3 2014/15, when 100% of indicators were on target or improving.

The committee asked if there was any reason for the reduction in satisfaction with the account information in Leasehold Services. It was noted that the leaseholders were not necessarily unhappy with the account information but unhappy with other things like the level of the service charge or grass cutting and were using this survey to express their dissatisfaction with these other issues. It was further noted that an annual leaseholder report was going to Customers and Communities Committee in May and would look at reasons for reductions in satisfaction in more detail.

RESOLVED – That the committee is satisfied with Performance Indicator and Service Standard results at the third quarter 2015/16.

43 MANAGEMENT ACCOUNTS – THIRD QUARTER 2015/16

The committee received an update on the management accounts for the third quarter of the financial year 2015/16.

The Management Accounts Revenue shows a surplus for the third quarter of £387,000. This is due to slippage on vacant posts and overhead budgets where spend will not be realised until later in the year.

Overhead costs are under budget by £235,000 to the third quarter. This is mainly due to budgets that are traditionally not spent until later in the year, lower utility bills over the summer and the mild winter so far. However, overheads are being forecasted to be £149,000 over budget at the year-end.

The overall position for repairs at the end of the third quarter is an under spend of £674,000. Although the position at the end of the third quarter 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 need to be monitored closely to ensure it comes in on budget by the year end.

The painting programme is currently underspent for both Mears and Construction Services. Due to ongoing negotiations over the contract extension, Construction Services did not start their painting programme until the end of July 2015. It is being forecasted that Construction Services programme will not complete and the budget will underspend by £126,000. Progress on both delivery streams will be monitored closely over the final quarter.

RESOLVED – That the committee is satisfied with the financial management of the Revenue and Repairs budgets for the third quarter of the 2015/16 financial year.

44 EQUALITY AND DIVERSITY UPDATE

The committee received a summary of equality and diversity work within the Company in the third quarter of 2015/16.

The Company continues to collect a range of information about its customers to ensure that it understands the makeup and needs of the communities it is working in. Details of the profile of tenants at the end of the third quarter were reported.

Work has continued on the Single Equality and Inclusion scheme and a copy of the final version was submitted. It will be produced as a leaflet and launched with partners and involved customers. A copy of the leaflet will be provided to all customers and also made available on the Company's website and social media.

The partnership with Gem Arts and Gateshead Council's Safer Communities team to deliver an arts project, "We Stand Together" around hate crime was completed. The work produced by Year 8 and 9 students from Joseph Swann Academy and Heworth Grange Comprehensive was launched during National Hate Crime

Awareness Week at the Police Commissioners event in October. The project was shortlisted for two awards at the end of last year.

The committee also received an update on the other work it was doing with young people and in particular Talent Match, the three breakfast clubs in partnership with the Greggs Foundation and partnership work Newcastle Eagles were highlighted.

The committee suggested that the Company might want to make contact with Your Homes Newcastle who are funding a PHD student to undertake some work around digital inclusion.

RESOLVED – That the committee is satisfied with the progress activity relating to equality and diversity carried out in the third quarter of 2015/16.

45 SICKNESS ABSENCE AND HUMAN RESOURCES UPDATE

The committee received an update on general HR initiatives and developments from 1 April to 31 December 2015, including sickness absence and learning and development activity.

The total sickness absence for the period equates to 6.62 days per person, compared to 6.26 days for the same period last year, which is an increase of 5.5%.

Short term absence for the period was 2.69 days per person. This compares with 2.67 days for the same period last year. This represents an increase of 0.74%.

Long term absence for the period was 3.94 days per person. This compares with 3.59 days for the same period last year. This represents an increase of 9%.

The biggest cause of absence for the period was post operation with 543 days lost compared to 461 for the same period last year. This represents an increase of 15%. Stress related absence decreased by 6% compared to the same period last year.

The Company has held 15 short term sickness absence review meetings in the period, with 11 first written cautions being issued following these. 17 long term absence review meetings were held in line with procedure two.

The committee also received an update on sickness absence benchmarking, health and wellbeing, other HR initiatives and developments, and learning and development activity.

RESOLVED – (i) That the committee is satisfied with the sickness absence and human resources update at the end of the third quarter 2015/16.

(ii) That the committee be provided with details of the four professional qualifications that four employees are being supported to study.

46 BEST COMPANIES

Since 2011, the Company has used the Sunday Times Best Companies survey to measure the engagement levels of its employees and have used their definition of engagement which is “doing it because you want to, not because you have to.”

By using the same method of collecting data from employees each year, the Company can compare results and target efforts and resources where they are most needed.

Each organisation that completes the Best Companies Engagement Survey is given a score, this is called the Best Companies Index score (BCI). The Company’s BCI score is 578 which is an improvement on last when it achieved a score of 569. 51% of employees responded to the survey.

The committee asked if the company could access the other ‘ones to watch’ organisations. It was noted that it could contact them directly to see if they would be willing to share any information.

RESOLVED – That the information be noted.

47 DATE AND TIME OF NEXT MEETING

To be agreed.

48 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED – That the press and public be excluded from the meeting during consideration of the remaining business in accordance with Category 1 of the Company’s Access to Information Rules.