



APPENDIX A

AGENDA ITEM:

Executive Overview and Scrutiny
Committee: 3rd October 2013

CABINET: 12th November 2013

Report of: Assistant Director Housing and Regeneration

Relevant Managing Director: Managing Director (Transformation)

Relevant Portfolio Holder: Councillor Mrs V Hopley & Councillor A Owens

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SUBJECT: TENANT'S CASHBACK SCHEME

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To advise Cabinet of the outcome of the three pilot schemes referred to in the report dated 19th March 2013 in relation to the Tenant's Cash Back Scheme.

2.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

2.1 That the report be noted

2.2 That any agreed comments be forwarded to Cabinet for consideration

3.0 RECOMMENDATIONS TO CABINET

3.1 That the report be noted.

3.2 That a Tenant's Cash Back Scheme is not introduced.

3.3 That the Assistant Director Housing and Regeneration work with Tenants to explore further how a scheme could be developed which offered skills training to tenants as outlined in paragraph 5.3 of this report.

- 3.4 That call-in is not appropriate for this item as it relates to an item already considered by the Executive Overview and Scrutiny Committee.
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4.0 BACKGROUND

- 4.1 The report to Cabinet dated 19th March 2013 outlined the Government's plans for the introduction of a Tenant's Cash Back Scheme.
- 4.2 Details of three pilot schemes, named by the Minister for Housing and Local Government, were outlined.
- 4.3 The pilot schemes were operated by: -
- Together Housing Group (includes Hastoe Housing)
 - Home Housing Group
 - Bromford Housing Group

5.0 REPORTS ON PILOT SCHEMES

5.1 Together Housing Group

- 5.1.1 They reported that they had not prepared a final report, as CLG had not required them to do so.
- 5.1.2 They referred to the Toolkit, detailed at 7.4 in the report to Cabinet dated 19th March 2013. They had produced this toolkit, in conjunction with Bromford Housing Group and a housing consultant, as a guide for organisations.
- 5.1.3 It was noted that only 20 tenants from a targeted 2000, participated in their pilot.
- 5.1.4 They commented that when they visited one of their target estates they had noted that the improvements made with those tenants who had taken part, had been sustained.

5.2 Home Housing Group

- 5.2.1 This Group ran their pilot between November 2011 and November 2012 in three geographical areas: Couls Newham, Middlesbrough; Egremont, Cumbria and Braintree in Essex. 136 customers signed up to take part in the pilots. 117 are still participating. Participants in two of the areas were offered up to £400 in B&Q vouchers and the other area were offered up to four weeks rent holiday. They concluded that:
- Despite the level of incentives offered it had proved difficult to attract participants

- Most improvements carried out had involved decoration and gardening. They noted this was outside of the minor repairs responsibilities set out in the scheme. They concluded that this would have had little impact on the Group's spend on repairs.
- The introduction of the rewards scheme only had a significant effect on repairs reporting behaviour by participants in the Middlesbrough area, with a much smaller reduction in the number of repairs being reported by participants in the Egremont and Braintree areas.

5.2.2 Using their learning experience from the Tenant's Cash Back pilot, and following further consultation, the Group have now incorporated the scheme in to a new customer loyalty scheme called 'Love My Home,' that rewards customers who pay their rent on time; look after their home, and contribute by being a good neighbour. Eligible customers are entered in to a draw every month, with bonus draws in December and March. To qualify, their customers must, (a) have a clear rent account for the six month period preceding each draw, (b) have kept to the terms of their tenancy agreement by looking after their home for the six month period preceding the draw, (c) have no anti-social behaviour complaints or issues open against them for the six month period preceding the draw and (d) have allowed first time access for the annual gas safety check for the current year.

5.2.3 The prizes are up to £750 each month with the bonus draws being up to £2000. They have not stated in their report how the prize amounts are calculated or how many prizes there are for each draw.

5.2.4 They say that at the time of publishing their report, 41% of their general needs customers are eligible for entry to the draws and that they are aiming to increase this to 55% over the next two years.

5.3 Bromford Housing Group

5.3.1 This Group combined the repairs element of their pilot for a Tenant's Cash Back scheme with another that included an element of housing management and called their scheme the 'Home Rewards Club.' Their customers had a choice to join either or both of the options (repairs and / or housing management).

5.3.2 Only 5% of their general needs customers (130) signed up to join the pilot. They were offered £300 per year for the repairs element, and £200 per year for the housing management element of the scheme. For the repairs element they were tasked with carrying out a series of low level repairs for themselves and for the housing management element they were responsible for dealing with low level neighbour issues, accessing their own housing advice, not using the contact centre (unless in the case of an emergency), and not needing to involve the Group to deal with such matters as arrears or low level anti-social behaviour.

5.3.3 During the period of the pilot scheme they noted that, for the customers who took part in the scheme, the average number of repairs per home fell by one, representing a 14% reduction. The average number of emergencies fell by 3.3%.

First time access for Gas Servicing also improved for customers who took part in the pilot.

- 5.3.4 From the housing management element of their scheme they reported a fall in housing contacts by 16.3% for those who took part in the scheme; complaints reduced by 88.9% and arrears for those taking part reduced by 24.2%.
- 5.3.5 They reported that the quality of repairs carried out by customers was to a good standard; there were no insurance or compensation claims, and that the Home Rewards Club was popular with those who joined.
- 5.3.6 They concluded that the Home Rewards Club was not for everyone but represents an opportunity for those who have a desire and the ability to take on more responsibility for their homes.
- 5.3.7 They say that they now intend to use their experience over the 12 month pilot period and integrate their reward offer into their mainstream services and in particular their new 'Bromford Deal.'
- 5.3.8 A brochure out-lining the 'Bromford Deal' is attached at Appendix 1.

6.0 WHERE DO WE GO FROM HERE?

- 6.1 The following is an extract from the letter written by Grant Shapps, the then Minister for Housing and Local Government, sent to all English Local Authorities in April 2012. The letter was attached as Appendix 1 to the Cabinet report dated 19th March 2013.

"There is a great deal of freedom within the new standards for landlords to design schemes, in consultation with their tenants, to meet local needs. Schemes could focus on individual tenants, but may also provide opportunities for neighbourhoods to take on shared responsibilities and to invest savings in community projects."

Clearly, as has been demonstrated by the diverse nature of the three pilots, no one common model is available for Social Landlords to follow, and perhaps that was the Minister's intention. Let each organisation develop what best suits them.

- 6.2 This therefore takes us back to the outcome of the Tenant's Task Group consultation carried out in June 2012. (Section 6 of the report to Cabinet dated 19th March 2013) The group's view was that WLBC tenants should not receive direct payments for carrying out repairs but rather have a scheme offering some training in DIY skills combined with the provision of materials that might then involve community based projects.
- 6.3 The group suggested that a pilot should be undertaken, involving a broad cross section of tenants; and that those invited to join should comply with the following criteria: -
 - Have a clear rent account (no arrears).

- Hold “House Contents” insurance. (Indicates an element of responsibility).
- Agree to keep garden up to a basic standard of tidiness.
- Keep internal decoration of their property in reasonable condition
- All repairs listed in Repairs Handbook as Tenant’s Responsibility will be in order.
- Comply with terms of Tenancy Agreement at all times.

The group’s view on the possible content of a scheme was: -

- Provision of training in basic DIY skills. West Lancashire College currently provide a 10-week (one afternoon per week) course covering basic joinery; plumbing and decorating. The course could be adapted to suit our requirements and might also include gardening advice. Also the Council will have four Contractors involved in Repair and Maintenance and the renewal of Kitchens and Bathrooms for the coming five years. It might be possible to arrange for these contractors to offer training locally in addition to the college course.
- There are potential other suppliers, including social enterprises within the borough who may be able to offer similar training and these options will also be investigated.
- The Council to provide materials free of charge for approved projects. Where tenants wanted to decorate their own property internally there could be a link to the current Paint Pack scheme.
- Gardening advice might lead to the setting up of a Garden Tool Loan scheme. Such a scheme will enable those tenants who cannot afford to purchase their own gardening equipment to maintain their gardens.
- Supervision and advice would be available when required.
- Other than the internal decoration of tenant’s own properties and repairs that are classed as Tenant Responsibility in the Repairs Handbook, all projects would be restricted to community-based repairs and to be of a “Repair” nature – no improvements.
- Tenants already have an obligation to carry out a range of repairs as detailed in the Repairs Handbook. The training provided will enable them to improve their competence.

6.4 If it is the Council’s wish that we now proceed along the lines of that set out above it is proposed that: -

- The Task Group is reconvened to identify areas offering a cross section of tenants for a pilot scheme; consider what projects might be suitable for a pilot scheme and how the scheme will proceed. They can also decide on a name for the scheme.
- The Assistant Director for Housing and Regeneration be authorised to make contact with West Lancashire College and others highlighted above to discuss the availability, costs and course content for DIY skills training.
- A budget figure for the pilot be identified.
- The optimum length of time for the pilot scheme to run be forecasted.
- A further report be brought back for consideration.
- Investigate external funding opportunities to fund the skills training element of the pilot scheme.

7.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

7.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder. The report has no significant links with the Sustainable Community Strategy.

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

8.1 There are no significant financial or resource implications arising from this report.

9.0 RISK ASSESSMENT

9.1 This item is for information only and makes no recommendations. It therefore does not require a formal risk assessment and no changes have been made to risk registers.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices

Appendix 1 - A brochure outlining the 'Bromford Deal'