

Home Group teams up with B&Q for tenant cashback pilots

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Practical details of how customers will be rewarded for looking after their homes were unveiled today by Home Group - the social landlord piloting Grant Shapps' tenant cash back plans.

Earlier this year, the UK-wide social landlord was selected by Shapps, alongside Hastoe Housing, to pilot the scheme - which will allow tenants to take control of their repairs budget.

In a partnership with national retailers B&Q, customers in three locations across the UK will be offered the chance to earn vouchers, BACS payments or four-week rent holidays if they maintain their home for a year to a previously agreed standard.

Three different models are being tested including an option for customers to access training from B&Q.

Proposals have already been presented to Home Group's national customer panel - triggering a number of suggestions now incorporated into the plans, including the amount of reward offered.

After further customer consultation, the three pilots will go live in the autumn and run for 12 months.

They'll take place in three different parts of the UK: Egremont in Copeland; Coulby Newham in Middlesbrough; and Braintree in Essex. There will be 75 homes in each pilot area and customers will opt-in to take part on a voluntary basis. Participants will be required to take out content insurance and not be in arrears with their rent.

Each geographical area will operate a different model:

- Pilot 1 takes the form of a rent Holiday. If the customer follows the terms and

conditions as agreed, they will be rewarded with a rent holiday of four weeks.

- Pilot 2 offers a cash reward in advance. If the customers follows the terms and conditions they will receive a payment in advance, then six months later they will receive a further payment.

- Pilot 3 offers a cash reward in arrears: Again if the customers follow the terms and conditions they will receive a payment after six months and then another payment six months later.

For the cash pilots, payment will be made either via BACs or in-kind through a B&Q card.

Home Group is committed to carrying out comprehensive evaluation and will be selecting an equivalent fourth geographical area to act as a control group to compare the results of the three pilots against what might have happened with no intervention.

The success of the pilots will be measured on the basis of improvements in the property, cost to repair and customer satisfaction (measured via formal survey, focus groups and complaints analysis).

In all three pilots, customers will receive a reward for maintaining their property to a given standard rather than being 'paid' or receiving a reward for specific repairs.

Their home will be inspected at the start of the pilot and customers will be expected to carry out any necessary repairs or maintenance to keep their home at least at this standard.

The types of repairs and maintenance that customers taking part on the pilot will be expected to carry out include fixing leaks and unblocking drains, internal painting and decorating and fixing door handles and locks and other fixtures and fittings.

They will also be responsible for some external maintenance – for example, ensuring even paving within their grounds. They will not include work to gas, electric, mains and stored water or central heating installation. Any work involving ladders or high steps is ruled out. Also excluded are removal or demolition of any internal walls or partitions in the property. Screwing, nailing or drilling into floorboards or internal walls will be out of scope too.

Mark Henderson (pictured), Home Group's chief executive, said: "Our customers have told us it's unfair they get no recognition for looking after their

homes while others can neglect or mistreat their properties but sometimes still benefit from refitted kitchens or bathrooms or new décor.

“We are excited to get the chance to pioneer this initiative. We want to get it right for our customers and make sure we have the right mechanisms in place to fully understand benefits and impacts of the three pilots.

“For example, our customer panel advised us to be initially cautious about the size of the reward and agreed on the value of £400 over a 12 month period, which is approximately equivalent to four weeks in rent for the average Home customer in our pilot areas.

“We’re aware that not all our customers will feel comfortable undertaking all of the types of repairs included and partly for this reason we're pleased to be partnering with B&Q and offering training.

“We’re hoping our pilot may also encourage people to save money and help develop transferable skills.

“We’re committed to carrying out detailed feedback and look forward to sharing our findings in due course.”