



Derby City Council

COUNCIL CABINET
16 March 2017

 Report of the Cabinet Member for Housing and
 Urban Renewal

ITEM 11

Incentive to Promote Council Tenants to use Digital Services

SUMMARY

- 1.1 It is essential that more and more customers are encouraged to use digital services instead of continuing to make requests for service through non-digital routes, such as face to face, post, or telephone. This is known as increasing the 'digital take-up' for our services.
- 1.2 Derby Homes deliver the housing management and maintenance service for Derby City Council and through their customer service strategy and are aiming to move towards a predominantly on-line customer service over the next two/three years.
- 1.3 This report proposes to incentivise tenants to move to digital services and subsequently enable savings to be made in the way that customers make requests for services, make payments and keep to appointments.
- 1.4 The report also explains how the criteria will extend to promote the importance of being a responsible tenant and good neighbour. In turn, this will reduce the costs involved of taking action for tenancy issues.

RECOMMENDATION

- 2.1 To approve in principle, subject to the outcome of consultation, the introduction of an incentive scheme as described in paragraphs 4.4 to 4.6 to run over two years from 1 April 2017 – 31 March 2019.

REASONS FOR RECOMMENDATION

- 3.1 To enable officers to undertake consultation on the scheme with tenants.
- 3.2 To increase the likelihood of tenants moving to digital services, encouraging on line and direct debit as the preferred payment methods, keeping appointments and generally being a responsible tenant and good neighbour to deliver efficiency gains and modernise service delivery.
- 3.3 Evaluation of the scheme will be undertaken in the second year and recommendations brought forward on the outcomes of the scheme.



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Report of the Strategic Director Communities and Place.

SUPPORTING INFORMATION

- 4.1 There has been considerable research over recent years looking at the effectiveness of rewards and incentives. It is useful to understand the definitions, incentives may be considered as measures to encourage desired behaviour, rewards are measures that recognise behaviour (a thank you). It can be seen that there is some crossover and that rewards may become incentives and vice versa.

Most customer incentive schemes have access criteria such as registering with details that are useful to the landlord, paying by Direct Debit or paying in advance. So, in effect, the incentive scheme becomes a reward for doing something positive.

- 4.2 Many housing providers use some or all of the following:

- 1 Prize draws for maintaining a clear rent account
- 2 Cash incentives for paying by Direct Debit
- 3 Cash incentives for downsizing
- 4 'Golden Goodbyes' – cash incentives for departing tenants who leave properties in a good condition and with no arrears.

Some of the more comprehensive packages include Salix Homes '*Five Star Customer Reward Scheme*', Irwell Valley '*Diamond Service*' and a staff and customer reward scheme at Kirklees Metropolitan Borough Council.

Nottingham City Homes launched its '*Responsible Tenant Reward*' scheme in 2014. The scheme rewards tenants who do not breach their tenancy agreement and who maintain their rent payments, with £100 'cash back' on their rent account at Christmas.

- 4.3 Derby Homes' customer service strategy is looking to transfer a greater share of service requests to on-line self-service, as opposed to the current preferred methods of telephone and face to face. Both of the latter are expensive and outdated methods of service delivery. This proposal is to incentivise more customers to manage their tenancies on line (through Derby Homes' website and customer dashboard) and to reward tenants who do this and comply with their conditions of tenancy.
- 4.4 The proposed scheme is a one-off incentive which will run during 2017/18 and 2018/19 and will be linked to promoting services on line. From an operational perspective, applying the incentive to qualifying tenants accounts will only be effected at the end of each of the two administrative years. All tenants will be eligible for a maximum £100 payment but must satisfy all the qualifying criteria (set out at paragraph 4.6 below). Paragraph 4.6.2 sets out the detail of when the reduced payment of £50 will be paid – that is that all the criteria are met apart from only

partial completion of the rent criterion. A tenant who only receives a lower (£50) (or no) reward in the first year will have the opportunity to deliver the rest of the missing criteria for the second year of the scheme and qualify for any remaining payment.

4.5 From April 2019 tenants will be encouraged to agree to these conditions on allocation of their property. This will support the culture of change to a digital service strategy. The timing of this incentive links with the re-procurement of the new housing management and maintenance systems for Derby Homes. A full publicity campaign will run to support tenants to 'Manage their Tenancy On Line'.

4.6 The qualifying criteria are shown below:

4.6.1 Be registered on Derby Homes Dashboard with a valid email address.

- Almost 4000 tenants are already signed up to Derby Homes' dashboard (representing 31% of current tenants), and they will qualify on this element of the criteria. The scheme will encourage the remaining tenants to register and provide a valid email address as a default mode for future contact.

4.6.2 Rent Criteria.

- The tenancy agreement states that tenants should pay rent one week in advance. Derby Homes' Operational Board (November 2016) agreed a week's rent in advance policy, and this criterion would be fully met where tenants fully comply with this element of their tenancy – ie to hold a week's rent in advance at the end of the financial year.
- Any tenant with rent arrears under £500 but which is reducing in line with their agreement will qualify, but will only receive half of the reward (£50) which will be credited against their outstanding balance, as would any tenant with no arrears but less than a week's credit as stipulated in the tenancy agreement. The other £50 would be available in the second year of the scheme if the rent account balance reaches a week's credit in that year and the other criteria are met.
- Must not have 'other relevant debts' – unless reducing with an agreement (if so 50% reward credited against the debt as above). 'Other relevant debts' are former tenants' arrears, rechargeable repairs and court costs.

4.6.3 Payment Method

- Rent must be paid direct – either on direct debit or rent direct, or the tenant must be signed up to an online only payment arrangement through the Derby Homes website, and must have used the facility for at least three months before the end of the relevant financial year.

4.6.4 Be a good tenant and a good neighbour

- No 'live' actions for ASB and the outside of your home and garden to be in good order. Procedures already exist for estate inspections which pick up the external conditions of properties, these procedures will be followed to determine the necessary actions that will be taken.

Classification: OFFICIAL**4.6.5 Keeping appointments for Gas Servicing**

- Gas servicing appointments – Derby Homes are aiming to increase the number of first time access visits for gas servicing. At the present time a considerable number of tenants require second and subsequent visits. Reducing the need for further visits will significantly reduce costs. All tenants are offered and given an AM/PM appointment. If the appointment is not convenient tenants can make contact to request an alternative date. Allowing access first time is therefore also necessary to qualify.

4.6 Consultation will be carried out with tenants utilising our online consultation process. Feedback from this will be made available for consideration by Cabinet prior to any final decision being made to implement the scheme. The final scheme will make provision to secure that any tenant who is incapable of meeting one or more of the qualifying criteria as a result of disability will not be disadvantaged.

OTHER OPTIONS CONSIDERED

- 5.1 No scheme – this would have limited impact on accelerating the number of tenants on digital means and would slow the progress of efficiency savings.**
- 5.2 A draw for eligible tenants. Derby Homes previously ran a draw each year for eligible tenants, but this was withdrawn as tenants felt that the rewards only benefited a few, were not achieving their goal of reducing arrears and would be allocated on a random basis rather than directly rewarding good tenants. The proposed scheme is clear that all tenants will benefit if they qualify.**

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Olu Idowu – Head of Legal Services Amanda Fletcher – Head of Finance Liz Moore – Head of HR Jayne Sowerby-Warrington Maria Murphy – Managing Director of Derby Homes Ian Fullagar – Head of Housing Strategy
For more information contact: Background papers: List of appendices:	Maria Murphy 01332 888522 maria.murphy@derbyhomes.org None Appendix 1 – Implications Appendix 2 – Equality Impact Assessment

Appendix 1

IMPLICATIONS

Financial and Value for Money

- 1.1 The estimated cost of the incentive scheme is £1m - £1.3m to the Housing Revenue Account if all tenants were eligible for the full reward over the two years. The likely cost is expected to be contained within £1m (over two years), but almost the full amount has been budgeted within the HRA business plan as the idea is to encourage tenants to change behaviour patterns. The cost would be a one off, spread over the two years and would enable Derby Homes to reduce management costs as result of increased digital communication, greater take up of lower cost payment methods, more gas service visits undertaken at first attempt and general improved tenancy management.
- 1.2 Derby Homes has already proposed savings of £200,000 a year into their management fee against housing management and customer service. This is already built into Derby Homes programme for delivery of new efficiencies. It is expected, therefore that the scheme should payback its cost to the overall housing management function, within around five to six years, while also encouraging and rewarding tenants who do the right thing on a regular basis.
- 1.3 The scheme will provide an opportunity for these savings to be delivered and potentially increased and improve general efficiencies within other areas. The proposal is also intended to assist with changes which will phase in with Universal Credit which will mean that all tenants will be required to manage and maintain payment routines themselves. All savings made will be reinvested to sustain and improve our services to tenants.

Legal

- 2.1 Other than the need for Cabinet to have regard to the outcome of the consultation process prior to giving an unqualified approval, there are no legal issues arising from the proposal. It is understood that a further report will be presented to Cabinet seeking that approval once the consultation process has concluded and its outcomes have been analysed.

Personnel

- 3.1 Implementation and management of the scheme will be contained within existing resources.

IT

- 4.1 The implementation and management of the scheme will be within existing systems. The new customer dashboard forms part of the new housing management and maintenance system which is currently being procured.

Classification: OFFICIAL

Equalities Impact

- 5.1 An equalities impact assessment has been completed and is attached.
- 5.2 The scheme will allow discretion to be applied where an individual tenant is unable to complete one or more components for reason of their disability, age or any other reason that might suggest discrimination against that tenant. This will not mean a blanket exemption from all criteria just those that the tenant is unable to complete.

Health and Safety

- 6.1 None directly arising.

Environmental Sustainability

- 7.1 Encouraging tenants to act responsibly and in accordance with the conditions of their tenancy will benefit the wider environment.

Property and Asset Management

- 8.1 None directly arising.

Risk Management and Safeguarding

- 9.1 Derby Homes Intensive Housing Management team will ensure that all vulnerable tenants will receive support to access services.

Corporate objectives and priorities for change

- 10.1 This proposal will incentivise tenants to access services in an efficient and accessible way. Support will be provided for vulnerable tenants.

Classification: OFFICIAL

Equality impact assessment form

Directorate: Communities and Place

Service area: Housing

**Name of policy, strategy, review or function being
assessed: Tenant Incentives**

Date of assessment 3.3.17

Name of Director signing it off David Enticott (DH)

**Decision of Cabinet, Personnel Committee or Chief
Officer Group**

Date published on website

January 2017



Derby City Council



Equality impact assessment – please read this section first before you do the assessment

This is our equality impact assessment form to help you equality check what you are doing when you are about to produce a new policy, review an older one, write a strategy or plan or review your services and functions. In fact you need to do an equality impact assessment whenever a decision is needed that affects people and **before** that decision is made.

So why do we need to do equality impact assessments? Although the law does not require us to do them now, the courts still place significant weight on the existence of some form of documentary evidence of compliance with the **Public Sector Equality Duty** when determining judicial review cases. This method helps us to make our decisions fairly, taking into account any equality implications, so yes we still need to do them.

The Public Sector Equality Duty is part of the Equality Act 2010 and this Duty requires us as a public body to have ‘**due regard**’ to eliminating discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act. It requires us to advance equality of opportunity and foster good relations between people who share a ‘**relevant protected characteristic**’ and people who don’t.

Having ‘due regard’ means:

- removing or minimising disadvantages suffered by people due to their protected characteristics
- taking steps to meet the needs of people with certain protected characteristics where these are different from the needs of other people
- encouraging people with certain protected characteristics to participate in public life or in other activities where the participation is disproportionately low.

The protected characteristics are:

- age
- disability
- gender identity
- marriage and civil partnership
- pregnancy and maternity
- race
- religion or belief
- sex
- sexual orientation

This completed form should be attached to any Chief Officer Group, Cabinet or Personnel Committee report to help elected members make their decisions by taking the equality implications into account. Equality impact assessments **must be done before** decisions are made. Include the Cabinet or Personnel Committee's decision on the front sheet when you know it.

You'll find that doing these assessments will help you to:

- understand your customers' and communities needs
- develop service improvements
- improve service satisfaction
- demonstrate that you have been fair and open and considered equality when working on re-structuring
- make sure you pay due regard to the requirements of the Public Sector Equality Duty.

Don't do the form by yourself, get a small team together and make sure you include key people in the team such as representatives from our Diversity Forums and employee networks and you could invite trade union representatives too – the more knowledge around the table the better. You also need to decide how and who you will consult with to help inform the equality impact assessment. Our Lead on Equality and Diversity can help with useful contacts – we have a team of people who are used to doing these assessments and can help with information on barriers facing particular groups and remedies to overcome these barriers.

You'll need to pull together all the information you can about how what you are assessing affects different groups of people and then examine this information to check whether some people will be negatively or positively affected. Then you'll need to look at ways of lessening any negative effects or making the service more accessible – this is where your assessment team is very useful and you can also use the wider community.

Agree an equality action plan with your assessment team, setting targets for dealing with any negative effects or gaps in information you may have found. Set up a way of monitoring these actions to make sure they are done and include them in your service business plans.

When you have completed the assessment, get it signed by your Head of Service or Service Director and send it to our Lead on Equality and Diversity for checking and to publish on our website. It is a public document so must not contain any jargon and be easy to understand.

Remember, we need to do these assessments as part of our everyday business, so we get our equality responsibilities right and stay within the law – Equality Act 2010.

Equality groups and protected characteristics

These are the equality groups of people we need to think about when we are doing equality impact assessments and these people can be our customers or our employees and job applicants...

- Age equality – the effects on younger and older people
- Disability equality – the effects on the whole range of disabled people, including Deaf people, hearing impaired people, visually impaired people, people with mental health issues, people with learning difficulties and people with physical impairments
- Gender identity – the effects on trans people
- Marriage and civil partnership equality
- Pregnancy and maternity equality - women who are pregnant or who have recently had a baby, including breast feeding mothers
- Race equality – the effects on minority ethnic communities, including newer communities, gypsies and travellers and the Roma community
- Religion and belief or non-belief equality – the effects on religious and cultural communities, customers and employees
- Sex equality – the effects on both men and women and boys and girls
- Sexual Orientation equality – the effects on lesbians, gay men and bisexual people

In addition, we have decided to look at the effects on families and people on low incomes too as we feel this is very important.

Contact for help

Ann Webster – Lead on Equality and Diversity

ann.webster@derby.gov.uk

Tel 01332 643722 Minicom 01332 640666 Mobile 07812301144

The form

We use the term ‘policy’ as shorthand on this form for the full range of policies, practices, plans, reviews, activities and procedures.

Policies will usually fall into three main categories...

- Organisational policies and functions, such as recruitment, complaints procedures, re-structures
- Key decisions such as allocating funding to voluntary organisations, budget setting
- Policies that set criteria or guidelines for others to use, such as criteria about school admissions, procurement methods, disabled facilities grants, on street parking bays

If in doubt – it’s better and safer to do an Equality Impact Assessment than not to bother! You never know when we may get a legal challenge and someone applies for Judicial Review.

What’s the name of the policy you are assessing?

Incentive scheme for tenants

The assessment team

Team leader’s name and job title – Jackie Westwood, Head of Income Management, Derby Homes

Other team members

Name	Job title	Organisation	Area of expertise
David Enticott	Finance Director	Derby Homes	Finance
Clare Mehrbani	Head of Housing Management	Derby Homes	Housing Management
Leon Taylor	Housing trainer	Derby Homes	Disability
Annabelle Barwick	Customer Services Manager	Derby Homes	Equalities

Step 1 – setting the scene

Make sure you have clear aims and objectives on what you are impact assessing – this way you keep to the purpose of the assessment and are less likely to get side tracked.

1 What are the main aims, objectives and purpose of the policy? How does it fit in with the wider aims of the Council and wider Derby Plan? Include here any links to the Council Plan, Derby Plan or your Directorate Service Plan.

It is essential that more and more customers are encouraged to use digital services instead of continuing to make requests for service through non-digital routes, such as face to face, post, or telephone. This is known as increasing the 'digital take-up' for our services, but we need to do this in such a way as not to digitally exclude people

This issue has been included in the Leader's pledges made on 1st March 2017.

2 Who delivers/will deliver the policy, including any consultation on it and any outside organisations who deliver under procurement arrangements?

Derby Homes will lead on the implementation of the Council's policy.

There are no procurement arrangements as Derby Homes are treated as 'part of the Council' for procurement purposes.

3 Who are the main customers, users, partners, employees or groups affected by this proposal?

The main customers are tenants of Derby City Council who would be eligible to receive a rent credit if they meet relevant criteria.

Step 2 – collecting information and assessing impact

4 Who have you consulted and engaged with so far about this policy, and what did they tell you? Who else do you plan to consult with? – tell us here how you did this consultation and how you made it accessible for the equality groups, such as accessible locations, interpreters and translations, accessible documents.

Derby Homes will be assessing and consulting tenants on the policy and its detailed implementation. Derby Homes will consult its Operational Board which has a majority of tenants and the DACP the local residents' consultative group. We will also involve the Council's Diversity Forum members.

- 5 Using the skills and knowledge in your assessment team, and from any consultation you have done, what do you already know about the equality impact of the policy on particular groups? Also, use any other information you know about such as any customer feedback, surveys, national research or data. Indicate by a tick for each equality group whether this is a negative impact, a positive one or if you are not sure**

Equality groups	What do you already know?	No impact	Positive impact	Negative impact	Not sure
Age	We know many more older people are now using information technology and digital services, but we also have to be mindful that some older people, particularly those that do not have relatives or friends to help, do feel digitally excluded. This may be seen as indirect discrimination - so we will be making sure our scheme does not discriminate against older people. . Derby Homes has installed additional wi fi points in local common rooms to assist with digital access. As for other groups, if it encourages digital access that would be positive. So, for this group of people it is a positive impact for some and negative impact for others.	x	x	x	
Disability	There might be a real issue here for a few tenants who are unable to use (as opposed to access) the internet			x	

Equality groups	What do you already know?	No impact	Positive impact	Negative impact	Not sure
	because of their impairment. As a result, it is felt that the final detailed scheme should allow for some discretion for housing officers to exclude some tenants from criteria that they cannot fulfil. We will make reasonable adjustments to the scheme so as not to discriminate against disabled people				
Gender identity - trans		x			
Marriage and civil partnership		x			
Pregnancy and maternity		x			
Race	People whose first language may not be English may struggle with the requirement to do everything digitally, but we wil do all we can to help	x		x	
Religion or belief or none		x			
Sex		x			
Sexual Orientation		x			
Families and people on low income	Free access to PCs can be obtained through libraries and mobile devices and so on.	x			

Important - For any of the equality groups you don't have any information about, then make it an equality action at the end of this assessment to find out. This doesn't mean that you can't complete the assessment without the information, but you need to follow up the action and if necessary, review the assessment later. You can get lots of information on reports done from organisations' websites such as the Equality and Human Rights Commission, Stonewall, Press for Change, Joseph Rowntree Trust and so on. Please don't put down that the impact affects 'everyone the same' – it never does!

6 From the information you have collected, how are you going to lessen any negative impact on any of the equality groups? How are you going to fill any gaps in information you have discovered?

We would propose that the detailed implementation of the scheme should allow those that cannot fulfil the relevant criteria to be enabled to pass that element. This will apply to any criterion that is prevented from being completed by a disabled person. It will not apply to the financial criteria.

Step 3 – deciding on the outcome

7 What outcome does this assessment suggest you take? – You might find more than one applies. Please also tell us why you have come to this decision?

Outcome 1		No major change needed – the EIA hasn't identified any potential for discrimination or negative impact and all opportunities to advance equality have been taken
Outcome 2	x	Adjust the policy to remove barriers identified by the EIA or better advance equality. Are you satisfied that the proposed adjustments will remove the barriers you identified?
Outcome 3		Continue the policy despite potential for negative impact or missed opportunities to advance equality identified.

		<p>You will need to make sure the EIA clearly sets out the justifications for continuing with it. You need to consider whether there are:</p> <ul style="list-style-type: none"> • sufficient plans to stop or minimise the negative impact • mitigating actions for any remaining negative impacts • plans to monitor the actual impact.
Outcome 4		Stop and rethink the policy when the EIA shows actual or potential unlawful discrimination

Our Assessment team has agreed Outcome number(s)

2

Why did you come to this decision?

There may be a few tenants who are physically or mentally incapable of accessing the internet or getting a trusted person to do so on their behalf. If they can still allow access to their home for gas servicing, and meet the rent / no ASB / other criteria, then they should qualify.

If you have decided on **Outcome 3**, then please tell us here the justification for continuing with the policy. You also need to make sure that there are actions in the Equality Action Plan to lessen the effect of the negative impact. This is really important and may face a legal challenge in the future.

If you have decided on **Outcome 4** then if the proposal continues, without any mitigating actions, it may be likely that we will face a legal challenge and possibly a Judicial Review on the process - it is really important that the equality impact assessment is done thoroughly, as this is what the Judge will consider.

Step 4 – equality action plan – setting targets and monitoring

- 8 Fill in the table (on the next page) with the equality actions you have come up with during the assessment. Indicate how you plan to monitor the equality impact of the proposals, once they have been implemented.**

Equality Action Plan –setting targets and monitoring

What are we going to do to advance equality	What difference will it make	When will we do it and who will lead	Monitoring arrangements
Adjust the details on application for those disabled people that demonstrate that they cannot meet the criteria	Avoid any perception that we have discriminated against disabled people	In developing the exact criteria for payment. Jackie Westwood, Derby Homes	We will monitor how many applications are received
Publicise the ability to be exempted from some criteria, making sure any publicity is accessible for Deaf people, visually impaired people, people with learning difficulties	Avoid any perception that we have discriminated against disabled people	When publicising the scheme.	We will monitor how many applications are received
Housing and Income Officers will routinely be able to advise and demonstrate to customers how they can access services	Break down barriers to people not knowing how to access services	From the launch of the incentive scheme	Post letting visits,

What are we going to do to advance equality	What difference will it make	When will we do it and who will lead	Monitoring arrangements
on line.	via the Derby Homes Website or set up payment methods.		
Derby Homes specialist support teams can include how to access on line services in their support plans	Provide extra intensive support to vulnerable people to try and break down barriers to people access services via the Derby Homes Website or set up payment methods.	From the launch of the incentive scheme	Support plan reviews and audits
Promote accessing services through community engagement team communication campaigns and making sure that people whose first language may not be English can access the information	Show people how to sign up and use on line services and the benefits this offers the customer	From the launch of the incentive scheme	We will monitor increase in dashboard sign ups

We can give you this information in any other way, style or language that will help you access it. Please contact us on: 01332 643722
Minicom: 01332 640666

Polish

Aby ułatwić Państwu dostęp do tych informacji, możemy je Państwu przekazać w innym formacie, stylu lub języku.

Prosimy o kontakt: **01332 643722** Tel. tekstowy: 01332 640666

Punjabi

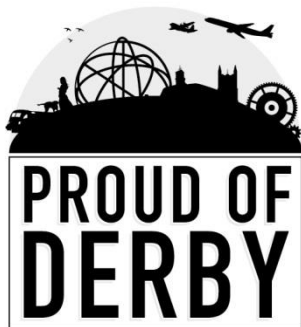
ਇਹ ਜਾਣਕਾਰੀ ਅਸੀਂ ਤੁਹਾਨੂੰ ਕਿਸੇ ਵੀ ਹੋਰ ਤਰੀਕੇ ਨਾਲ, ਕਿਸੇ ਵੀ ਹੋਰ ਰੂਪ ਜਾਂ ਬੋਲੀ ਵਿੱਚ ਦੇ ਸਕਦੇ ਹਾਂ, ਜਿਹੜੀ ਇਸ ਤੱਕ ਪਹੁੰਚ ਕਰਨ ਵਿੱਚ ਤੁਹਾਡੀ ਸਹਾਇਤਾ ਕਰ ਸਕਦੀ ਹੋਵੇ। ਕਿਰਪਾ ਕਰਕੇ ਸਾਡੇ ਨਾਲ ਟੈਲੀਫੋਨ **01332 643722** ਮਿਨੀਕਮ 01332 640666 ਤੇ ਸੰਪਰਕ ਕਰੋ।

Slovakian

Túto informáciu vám môžeme poskytnúť iným spôsobom, štýlom alebo v inom jazyku, ktorý vám pomôže k jej sprístupneniu. Skontaktujte nás prosím na tel.č: 01332 643722 Minicom 01332 640666

Urdu

یہ معلومات ہم آپ کو کسی دیگر ایسے طریقے، انداز اور زبان میں مہیا کر سکتے ہیں جو اس تک رسائی میں آپ کی مدد کرے۔ براہ کرم **01332 643722** منی کام 01332 640666 پر ہم سے رابطہ کریں۔



Derby City Council