

REPORT TO: HOUSING COMMITTEE – 16 JUNE 2003

REPORT ON: B & Q DECORATION VOUCHER SCHEME

REPORT BY: DIRECTOR OF HOUSING

REPORT NO.: 361-2003

1. PURPOSE OF REPORT

To outline the advantages to the Housing Department of entering into an agreement with B & Q DIY Store Group for provision of Decoration “Gift” Vouchers to be used in their stores by tenants entitled to Decoration Allowances through relet or capital programmes.

2. RECOMMENDATIONS

Committee is asked to:

- 2.1. Agree to the Council entering into an agreement with B & Q for a pilot period of one financial year. The Council would enter into the Decoration Scheme with B & Q and run this in tandem with the existing system of Council Decoration Vouchers, maintaining tenants’ freedom of choice. This is the recommended option as some tenants may not wish to use B & Q because of travel logistics etc..
- 2.2. Agree to B & Q becoming the preferred supplier for wallpaper for Dundee Contract Services when carrying out decoration in tenants’ homes following major works.

3. FINANCIAL IMPLICATIONS

- 3.1. The Council will receive a rebate of up to 10% per annum dependant on spend. Currently this would amount to approximately £37,000 per annum. B & Q have assured us the level of rebate will be reviewed regularly. Under the present Decoration Voucher system there is no rebate or discount if tenants present their vouchers at B & Q.
- 3.2. The current system is cumbersome and onerous on staff time as each voucher has to be checked on return, with resultant queries/disputes arising. With the proposed scheme, vouchers are pre-bought in denominations of £5, £10, £25, £50 and £100. All vouchers are numbered sequentially and numbers would be noted on issue to a tenant. Any suspect vouchers and/or signatures would be rejected by B & Q staff.
- 3.3. With the new system, all numbered vouchers would be administered and issued to Area Offices via Housing Finance & Administration. Therefore at any given point in time, Housing Finance would know what voucher numbers have been issued to a particular office, which vouchers have been issued to a particular tenant (via returns from Area Offices) and which vouchers have been used (via returns from B & Q). Voucher numbers issued will be entered on a letter to the tenant issued with the vouchers (see Appendix 1). A sample voucher is attached (see Appendix 2).

4. **CUSTOMER CARE**

- 4.1. B & Q have a price promise guarantee, meaning they will not be underpriced for any of their project range, ensuring the tenants' decoration vouchers have maximum purchase power.
- 4.2. A major advantage to tenants of this scheme is the lack of stigma attached to B & Q vouchers. In appearance they are similar to the mainstream gift vouchers sold by B & Q and can be dealt with at any till within the store. Under the existing scheme, tenants using Decoration Vouchers issued by the Council are taken to a separate till for processing.
- 4.3. At the present time we are experiencing difficulties with wallpaper suppliers, leading to delays of up to eight weeks in tenants getting their homes redecorated by Dundee Contract Services after major works to their homes. B & Q have supplied the Improvements & Maintenance Unit with sample books of their latest range of wallpapers with a view to adopting them as our preferred supplier for this market. The ranges change on a yearly basis and reflect current fashions and tastes. Providing tenants with a wider range of options should increase tenant satisfaction.

5. **LOCAL AGENDA 21 IMPLICATIONS**

B & Q have an established approach to sustainable development and protection of the environment, backed up with an ethical Code of Conduct. This includes a social responsibility policy for sourcing and supply chain management of all major categories including paint, timber and toxins.

6. **EQUAL OPPORTUNITY ISSUES**

As discussed under Customer Care above, use of B & Q Decoration "Gift" Vouchers would reduce the stigma attached to Council issued Decoration Vouchers.

7. **COMMUNITY ISSUES**

B & Q has a community policy which aims to benefit projects and organisations in its own locale. They run Community Awards ranging from advice to material provision, and financial support. Awards of £100,000 were made nationwide last year. It would be beneficial to tenants' groups and other projects to be placed on B & Q's database of organisations that bidding opportunities are sent to.

8. **BACKGROUND**

B & Q have recently launched this voucher scheme for social landlords, with the simpler scheme described above, developed specifically for local councils. The Council would benefit from simplified and cheaper administration costs, as well as a cash repayment of 10% of the total voucher spend. By having B & Q as the preferred supplier for wallpaper for Dundee Contract Services when carrying out decoration in tenants' homes following major works means a better choice and less delay for tenants. Furthermore, designs are updated annually and reflect more modern tastes.

The benefits to B & Q are a growing business with local authorities as vouchers can only be spent in their stores, and a simplified system for B & Q as they currently deal with

many different systems nationwide.

9. **BACKGROUND REPORTS**

Tenants' Allowances – Report to Housing Committee – 17 November 2003.

10. **CONSULTATION**

The Chief Executive, Director of Support Services, Director of Finance and the Dundee Federation of Tenants' Associations have been consulted regarding this report.

Appendix 1: Sample letter to tenants

Appendix 2: Sample Voucher

ELAINE ZWIRLEIN
DIRECTOR OF HOUSING

16 MAY 2003

DRAFT

APPENDIX 1



23 April, 2003

Mr & Mrs Anyone
657 Any street
Anytown
Any County
AB3 3RT

Dear Mr & Mrs Anyone

To assist you with the decoration of your home, Dundee City Council is pleased to present you with B&Q Decorating vouchers to the value of £250.00

The B&Q Decorating vouchers will be accepted at any B&Q store and can be used for the purchase of decorating materials only, these include: - interior paint, woodcare and varnishes, wallpaper and pastes, non-powered decorating utensils, sandpaper, fillers and sealants.

B&Q Warehouse and Supercentre stores offer you a wide range of home improvement materials, and their "price promise" guarantee will ensure that you are getting good value for money.

Issued vouchers are to be used within six weeks from the date of this letter and Dundee City Council reserve the right to inspect the property to ensure that the work has been carried out to the required standard.

Kelly Macey
Projects Team Leader
Dundee City Council

For the tenant

I have read this letter and agree to comply with the stated conditions of use for the B&Q Decorating Vouchers.

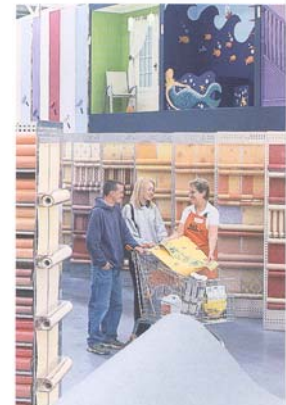
B&Q Decorating Vouchers - serial numbers issued: -
£ 5.00 vouchers from To
£10.00 vouchers from To
£25.00 vouchers from To
TOTAL

Letter & vouchers received by: Print Name

Signature

For the location of your nearest B&Q store call 08452221000

PROGRAMME REF: _____



APPENDIX 2

BRU **BRU** **£10**

DECORATING VOUCHER **DECORATING VOUCHER**

£10 Voucher

This voucher can only be used for purchases from the following product areas in any B&Q store:

- Paints, Woodcare & Varnishes
- Wallpaper & Pastes
- Non-powered decorating utensils
- Sandpaper, Fillers & Sealants

This voucher may be used as whole or part payment. It cannot be exchanged for cash or used to pay a credit transaction. No change will be given.

Mutilated, damaged or defaced vouchers cannot be exchanged. No liability will be accepted for lost or stolen or destroyed vouchers.

Issued by: _____ printer name: _____ Signature: _____

Name: **SPECIMEN**

Address: _____

SPECIMEN SPECIMEN

5 031643 910109 >

PLEASE DO NOT WRITE OR MARK BELOW THIS LINE

£10 **DECORATING VOUCHER**

TEN POUNDS

B&Q

B&Q DECORATING VOUCHER