

### **3 DECORATION CARD SCHEME (AN72-2011)**

Currently the Housing Department spends approximately £360K per year on tenant allowances for capital contracts and approximately £500K per year on decoration allowances following relets.

The Housing Investment Unit now issues cheques directly to tenants for capital contract allowances and the Relet Team issues orders that tenants can use in DIY stores.

As cheques are being phased out from 2013, alternatives have been considered to cheques as well as looking at getting better value for money.

A Decoration Card Scheme is proposed which would be tendered through the Public Scotland Portal. Such a scheme could potentially achieve savings of up to 14% through discounts offered by the major stores, and will also allow the Council to reclaim the VAT element of any allowance paid. A Framework Agreement would be developed for the supply of decorating materials to Council tenants through the scheme. The supplier would provide decoration cards which the tenants can then exchange for their choice of decorating materials. This would also introduce additional security minimising opportunities for misuse.

Tenants' views would be sought on added value, that could be stipulated in the framework, such as free delivery or the ability to order by phone or on-line.

As the Tenant Allowance for capital contracts also includes an allowance for floorcoverings, it is proposed that flooring (carpet and vinyl) is also included in the list of materials eligible for purchase under the scheme. As not all interested suppliers sell flooring materials, alternatives for this and other items not covered by the Decoration Card Scheme will be developed.

Committee is asked to note the tender for the scheme will be prepared and issued by Corporate Procurement and the result reported to Committee at a later date.