

Capital Incentives @ Work

Irwell Valley Housing Association Case Study

Background

Irwell Valley is an award winning housing organisation – providing homes and services to over 20,000 people in Greater Manchester – with a mission “to create fantastic places to live and enjoy life”.

Ten years ago the Housing Association was faced with a major problem. Payment levels were so bad that 70% of Irwell Valley’s tenants were classified as poor payers, costing the association substantial sums of money. Subsequently, they realised that they needed to find a more efficient way to engage with their tenants.

Objectives

Irwell Valley wanted to introduce a scheme to encourage all 5,000 of their tenants, but especially the 70% identified as poor payers, to pay rent on time and abide by the terms of their tenancy agreement. The idea was to reward and incentivise prompt payment by offering them loyalty points and cash-back through Gold Service membership.

Irwell Valley HA – in summary:

- First housing association to introduce incentive scheme for customers
- Loyalty points offered to incentivise prompt rent payment
- Points worth £1 and are loaded on to a personal Irwell Valley branded Compliments debit card
- Resulted in a huge turnaround from 70% bad payers to 70% good payers
- Scheme now replicated by other public sector organisations and endorsed by Government



Launch & Implementation

With the establishment of Gold Service membership in 1998, Irwell Valley became the first housing association to introduce a rewards and incentives scheme for its customers.

Irwell Valley residents became Gold Service members by paying their rent on time and abiding by the terms of their tenancy agreement. For each week they did this, the association recognised their loyalty by giving them a Gold Service point worth £1. These were accumulated over the period of 12 months and the equivalent amount in cash-back then paid to members.

For many years the cash back was paid in the form of vouchers. As part of its regular appraisals of the scheme, the Association in consultation with residents agreed to extend the range of benefits with a combined customer membership and debit card to be introduced to mark 10 years of Gold Service.

Now it is paid through their personalised Gold Service membership card, an Irwell Valley branded Compliments debit card produced and managed by Capital Incentives & Motivation, part of Accor Services, the leading incentive and motivation consultants.

