

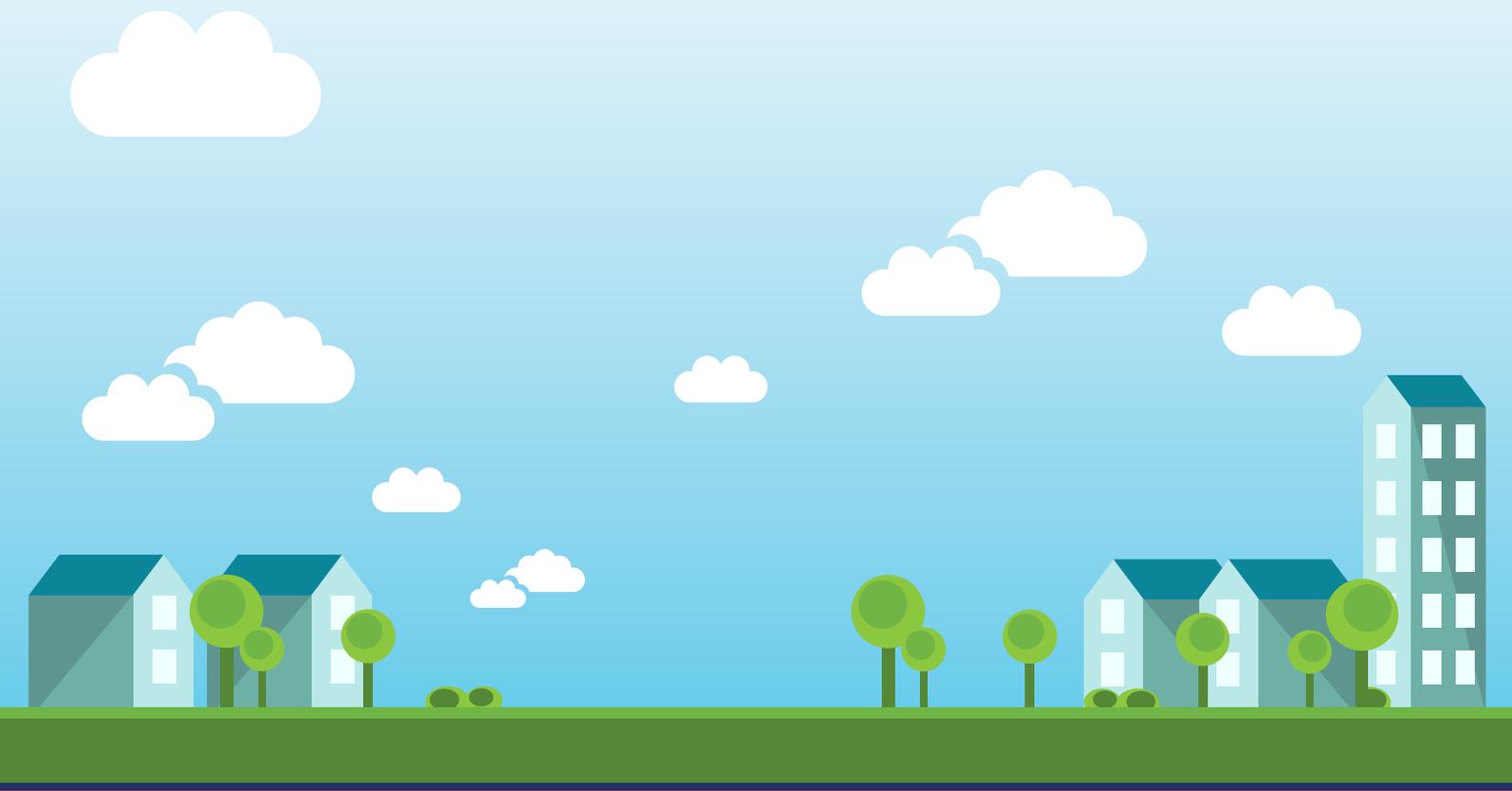
UNIVERSAL CREDIT TOOL KIT

This guide contains advice, guidance and insight on how different social landlords have dealt with Universal Credit and what they have done to mitigate the effects on their organisation and is a must read document for all landlords concerned about Universal Credit.



Contents:

3	Introduction
4	What do you want to achieve?
5	Analyse Your Tenants
6 - 7	Partnerships
8 - 11	Tenant Culture
12 - 13	Organisational Culture
14	Evaluation
15	Thank You
16	About Mobyssoft



1. Introduction

This Universal Credit Toolkit has been put together with the kind assistance of those organisations on the front line of Universal Credit (UC) and those that have participated in pilot schemes. These include:



This guide is designed for all social landlords as the deployment of Universal Credit across the UK continues to accelerate. All Registered Providers (RPs) will be affected by this roll out and whilst many have only had limited contact with UC the effects are already being felt by many residents and landlords.

This guide contains advice, guidance and insight on how different social landlords have dealt with this change and what they have done to mitigate the effects on their organisation. It covers everything from objectives to changing organisational and tenant culture through to changes in systems and processes and beyond. If you are yet to be affected by Universal Credit and you are in the process of making plans or are waiting to see what happens then this is a 'must-read' document as it will guide you along the process of mitigating Universal Credit.

What's more Mobysoft has consulted with different types and sizes of organisations, as there is no 'one size fits all' approach. So what you will find is proven approaches in mitigating UC as well as highlighting the tools and the approaches these organisations have taken to successfully manage Universal Credit within their businesses.

2. What do you want to achieve?

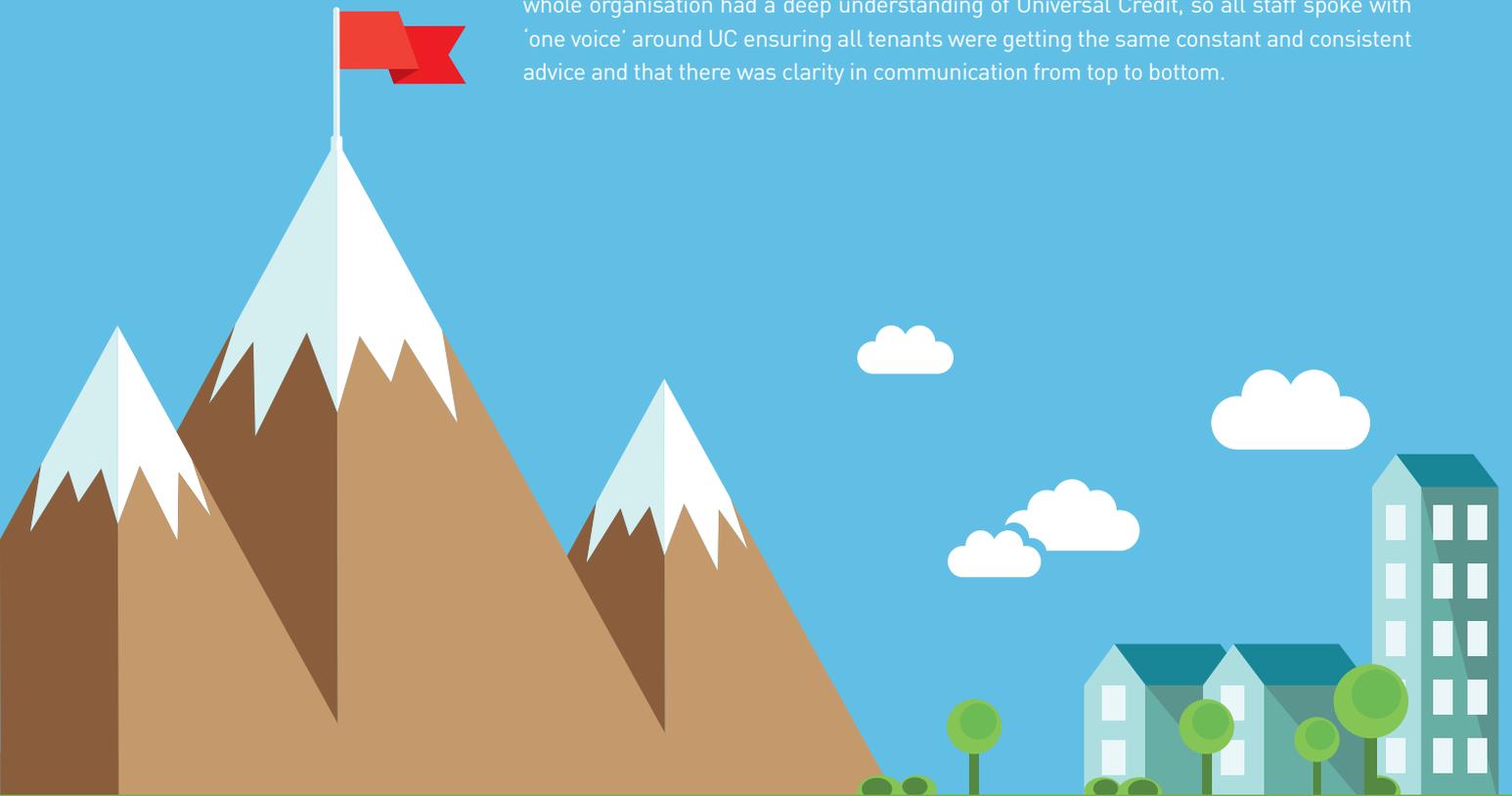
Set your Objectives

Before tackling a large project like UC you need to be clear what you are trying to achieve as an organisation. Other organisations that have gone through this process were clear in setting their goals. Whilst they were not the same there were similar themes from the landlords and they included:

- **Mitigating financial risks**
- **Supporting tenants**
- **Creating direct payment culture and changing customer ethos**
- **Empowering staff**
- **Moving tenants closer to work**

Mitigating financial risks, supporting tenants and changing their payment culture were central to many organisations objectives. However some believed these could be achieved by helping to move tenants closer to work, although understanding this was intensive and initially resource heavy process.

All organisations also realised these changes had huge impact on their staff and roles and hence the staff empowerment objective for many was critical. They wanted to ensure their whole organisation had a deep understanding of Universal Credit, so all staff spoke with 'one voice' around UC ensuring all tenants were getting the same constant and consistent advice and that there was clarity in communication from top to bottom.



3. Analyse Your Tenants

Organisations need to be clear how Universal Credit is going to affect them. To be able to predict this they need to understand their tenants and be able to accurately profile them. Simple data profiling such as who pays rent via Housing Benefit, the age of tenants, do they live alone or with dependents. It also means working closely with the Department for Work and Pensions (DWP).

- All organisations that participated constantly monitor and clean their data so they can identify residents who will be affected.
- Working with DWP does not always guarantee that you will be notified on all tenants transferring from Housing Benefit (HB) to UC. With this in mind some organisations worked closely with front line staff to inform them of identifying triggers which may suggest a customer is claiming UC.
- Some prompt their customers to tell them if they have been switched across to UC. Landlords did this via newsletters, websites, rent statements, telephone hold messaging and so forth
- Landlords that are part of digital trials believed this helped improve and speed up the data they received about who has been migrating over to UC.
- Profile and assessing tenants helped landlords create a tiered approach based on risk. So landlords could match the appropriate resource to the appropriate 'risk' level ensuring an efficient approach.
- Don't Neglect New Tenants – Landlords updated their pre-tenancy processes so it contained relevant questions that are asked that help to identify UC claimants.



4. Partnerships

All landlords highlighted the need to work in partnerships with external agencies to help mitigate the risk of UC, the most important partnership being with the DWP.

4.1 Dealing with the DWP

All participating organisations highlighted the importance of building a close relationship with DWP, many highlighted the need to do this on a personal and local level too.

- **Build a strong relationship with local managers**
- **Key staff build relationships with their DWP contacts**
- **Work closely with Local Job Centres**
- **Where possible participate in digital platforms, as you get the information quicker**
- **National Insurance (NI) Numbers essential for DWP communication**
- **Get your digital inclusion team involved at an early stage as DWP are working towards moving all applications online**
- **For claimants: They need to work with their work-coach and do what is required to comply with the claimant commitment as sanctions are easily imposed**
- **Know what you can ask and what you can't. There's no point asking for information they are not going to tell you. Conversely know what they should tell you and if they don't tell you argue the toss with them. What's more know the escalation process as you can go to your partnership manager who's based at the Job Centre Plus.**
- **To find this out go to the [National Housing Federation](#) website as well as [DWP](#).**

Dealing with DWP is not without difficulties. Like all organisations DWP is not perfect so landlords will need to be aware of this, but there are feedback mechanisms and there are also regional Universal Credit and DWP workshops.

Data sharing can also be problematic however The National Housing Federation has a comprehensive issues log from their involvement in discussions with pathfinders and the DWP. Specific issues have included:

- **The digitalisation of the claim process and management of claims has been slow in development**
- **Landlords have not always got notifications through in the non-digital areas**
- **Alternative Payment Arrangements (APA's) have taken longer than expected. (Also some landlords believe that APAs are not the best solution and in a recent [Northern Housing Consortium](#) study on UC they stated that 'in terms of the resource issue for organisations as UC rolls out, the management of APAs is arguably the largest.'**
- **If you are not in any trials or working parties then speak with the National Housing Federation as they are feeding information back to the DWP.**

It is not all negative though as there are positives to come out of dealing with DWP, including:

- **Participating in digital trials has helped. It means switching to getting emails on a secure system as landlords know instantly who is moving onto UC, which acts as a trigger to get involved with the resident.**
- **Organisations found that locally DWP are willing to engage and attend meetings when asked.**
- **They are listening and making changes.**

4.2 Other Partnerships

All organisations that helped put the toolkit together highlighted the importance of developing partnerships beyond the DWP. They found being part of a multi-agency group helped the flow of information and communication between all organisations and the effective use of local support services is crucial for supporting tenants through the change process. For national Housing Associations or ones whose properties are in multiple Local Authorities these local touchpoints are crucial but they can take time and resource.

- **If your organisation aims to move residents closer to work then forging close links with JCP, Skills UK, Advice Agencies is vital.**
- **Some organisations got staff to shadow Job Centre Plus staff and also held sharing information workshops.**
- **One organisation created an employment advisor within their organisation that co-locates within Job Centre Plus. This has enhanced their partnership and they are now discussing locating an income officer at the centre too.**
- **Housing Associations highlighted the need to work closely with their LA's on getting and sharing up to date information as well as for other reasons such as promoting digital touch point centres, such as local Libraries to tenants.**
- **Getting the financial inclusion teams to create partnerships with organisations such as StepChange, Turn To Us and others helped tenants with budgeting and claims.**

The partnerships created a number of key benefits including:

- **It enabled the sharing of best practice in customer communications. And it generated solution focussed discussions around local issues and a route to escalate to the DWP's national teams as necessary.**
- **Many found there are good support networks in place when you start developing deeper relationships (such as benefits advice, debt management, help about getting into work, supporting people with mental health, disabilities etc.)**
- **Being part of a Multi-agency group, including DWP, LA, other Housing Associations helped rectify issues and enabled businesses to learn from others' experiences.**

5. Tenant Culture

All organisations were aware that they needed to embed a culture of Rent First with their tenants. Whilst some organisations already took this approach others ensured it was central to their pilots. Others also focused on moving their tenants closer to work.

Generally organisations found that many tenants will only engage fully when they know they will be affected, this goes back to having good clean data and ensuring your partnerships are in place to ensure you get the most up to date information.

- **Rent First Culture with both Tenants but also WITH staff**
- **Review all literature (letters, brochures, websites etc) to ensure ALL material conveys and communicates the rent first approach**
- **Contact residents early in cycle and understand their needs – introduce to other services**



5.1 Pilot Programmes

All organisations have participated in or managed a pilot of collecting direct payments from their tenants. When stepping into the unknown you need to know what is out there, what issues you will encounter, where you need to focus resources, understand what additional costs you will have to absorb and what works and what doesn't. Without doing this you face an incredibly steep and expensive learning curve.

For those who have not considered a pilot it must be said participants in putting this toolkit together strongly advised to carry out some sort of trial. This does not have to be a huge undertaking some organisations ran pilots with less than 100 tenants, but it helped them identify weaknesses in their processes and highlight what they could improve upon.

- **One organisation ran their own pilot and found it demonstrated that with intense support offered to customers they were able to mitigate the financial risks to their organisation. But, that the resource cost for the intensive management required was four times that of a legacy arrears case which poses significant questions around capacity.**
- **Another landlord was part of the DWP DPP and found that both tenants and staff required support throughout this process. They did four phases of direct payments: They changed processes in each phase from a no support to an intensive triage approach. They also wanted to quickly move to a stage where the new incorporated processes became business as usual.**
- **One RP organised their own pilot and found that their arrears did not increase but discovered that they needed to strengthen up specific areas such as pre-tenancy and sign up as well as the first few weeks of someone's tenancy. They continue to heavily monitor new tenancies aged 0-6 months.**

With Universal Credit there is a huge change in culture for residents as they have to take responsibility for paying their rent to the landlord. Developing a Rent First payment culture for both residents and staff is critical. This is about intensive education and support. All Landlords undertook a variety of on-going activities to help their residents make this cultural change.

- **Organisations wanting to achieve this will need to start from scratch and review all literature (letters, SMS texts, brochures, scripts etc) in order to change the culture.**
- **Counselling and budget support workshops do work but many experienced low levels of attendance and changed the 'branding' of the events away from 'Budgeting Support'. Indeed they were given time and space at their organisations other tenant workshops and found this worked much better, as attendance and engagement was much higher.**
- **It is vital to initially first give tenants a clear breakdown of payments and dates and amounts owed. Tenants require this information first and foremost rather than actual budgeting support.**

- Others commented that they were already heavily focused promoting a rent payment culture but supporting this was a detailed communications plan which helped to convey the rent first approach.
- Some looked at increasing headcount of specific divisions to drive this culture forward. One landlord doubled their Financial Inclusion Team from 3 to 6 in 2015 to help support this transition and this was supported by a centralised income service which works 8am until 8pm Monday to Fridays as well as 9am to 1pm on Saturdays.
- Others work with and promote third party magazines such as QuidIn Magazine to their tenants.
- Importantly the most successful initiatives were ones that involved Tenants in this process as they can best highlight and identify what activities would help them with this transition

5.2 Offering the Right Support

This goes back to a point earlier about educating 'internally' before educating tenants, and again landlords reiterated having the knowledge and right information internally really then helps offer tenants the right support. There were many different approaches taken and this depended on the size of the organisation involved.

- One landlord has a dedicated UC officer who is highly skilled and knowledgeable on the regulations, legislation and support options open to claimants to support and guide them through the early stages of their UC claim.
- All commented it is important to make early and immediate contact with those tenants affected. This helps them get a feel on how the resident is getting on with claiming UC together with working out payment dates and whether they need any money management, budgeting advice.
- Some have introduced a monthly visit to anyone who is on UC, which at present is achievable with low numbers, but they will review the feasibility when more tenants make the switch.
- Some of those that undertook risk assessments on tenants found that they were by no means a reliable indicator of non-payment of rent, whereas with others it has really helped identify those who need the most support.



5.3 Financial Support

With the switch to UC many tenants will need more in depth financial support, but unless landlords have officers that are accredited by the Financial Conduct Authority (FCA) then legally organisations cannot offer financial advice. This means organisations take different approaches.

- **Those without FCA accredited staff commented they sign post customers to the most relevant external agency. They also found it was useful to develop strong working relationships with national debt advice organisations like StepChange, Turn to Us and Christians against Poverty.**
- **Those that do have accreditation found this generated additional benefits for their organisation, for example one department set up specifically for advice sourced over £5 million for residents through maximising their income and benefits over the last 3 years.**
- **Landlords also mentioned that empowering visiting income officers helped maximise Discretionary Housing Payments (DHP's) and uptake in benefits.**

5.4 Digital Inclusion

How do you ensure you get to know your customers better? With so much more contact going on with the residents it is vital that organisations take as many learnings as possible with them about their customers.

- **One undertook tenant assessments, which was designed by the tenants in the pilot, and this took a tiered approach depending on customers' needs from triage and intensive to very light touch.**
- **At present those landlords that are undertaking monthly UC visits have created 'Apps' that prompts those officers to check and update details, which is part of their work process.**
- **All commented that income teams are a great way to check and engage with residents.**
- **Along with regular contact some organisations undertook ongoing customer questionnaires throughout their pilot.**



6. Organisational Culture

All participants commented on the importance of changing, and supporting the change, of their own organisations' internal culture. Three of the biggest musts from participants were:

- **Support and re-skill your staff.** Many found that staff required a lot of support for the change in their roles. Whilst this was another intensive resource it bears fruit as your staff gain additional skills whilst being much cheaper and quicker than recruiting.
- **Ongoing consultation with staff.** Get their feedback, their concerns and then refer them back to the support they will be offered. Remember it can be as big a change for them as well as your tenants.
- **Prepare the board, members and stakeholders.** Meet regularly share with them your findings from any pilots you undertake and if requesting new staff, additional resource, new systems and so forth validate these with your findings.

There were plenty of other learnings on what organisations must do to embrace organisational change:

- **Feed up and feed down with your findings in your organisations and have corporate working sessions facilitated by senior management to generate ideas and feedback on how systems and support can be improved.**
- **Meet regularly with staff, stakeholders and get executive team to conduct regular staff briefings.**
- **Update your induction process, some created new e-learning UC module for their processes.**
- **Share the knowledge – organisations had their specialists, who have a deep understanding of UC, such as welfare reform officers, deliver tailored training sessions to all front line staff, including involved customers, to inform of how they can identify and help UC claimants.**
- **Spread the word beyond front line staff – some trained 'champions' in all non-front line facing teams on what UC is and the impacts it could have on customers and our business.**
- **All organisations worked closely with their communications team so information is available internally and externally. They highlighted the importance of multi-channel communication, including social media, and multiple on-going 'touches'.**

- The more engaging the content the more it will be viewed and responded such as videos. Also remember 'bite size' messages as most will not engage with excessively long communications.
- Use links with local media to create 'stories of interest' around Universal Credit.
- Many adopted the culture of 'Rent First' and incorporated activity into their 1-2-1 and appraisal processes across the business whilst also developing supporting internal literature.

6.1 Can Systems Cope with Change?

All landlords recognised that technology was key in helping deliver much needed efficiencies. By going through pilots it has helped them identify and analyse weaknesses or inefficiencies in their processes and systems which lead to changes and system investments.

- Some landlords created user groups that identified what information was required to be loaded into their systems and where that could be stored; profiling information, UC payment date, for example.
- Many worked closely with existing technology partners to further tweak and improve systems to deliver efficiencies. However all invested in other front line systems to help deliver efficiencies.
- Some also developed their own applications and ensured that mobile officers all have web enabled tablets when on visits so they can access and use systems and applications.
- The pilot highlighted the need to invest in specialist IT systems that would help them quickly profile tenants switching from HB to UC and manage and prioritise those UC cases that need the most attention.
- Landlords found using text messaging was immediate and beneficial. Automated texts for when rent is due, texts for bounced Direct Debits (DDs) etc.



7. Evaluation

What were the findings from the RPs when they evaluated their readiness for Universal Credit?

- **Effective use of local support services is crucial for supporting tenants through the change process**
- **The intensiveness required to make this transition and it can be draining and this highlighted the importance of plans, changing cultures and processes and systems that can deliver this as well as efficiencies.**
- **Organisations need to try new systems, processes and ideas. But they all need measuring, what works embrace what doesn't ditch. Adopt the ethos of fail fast and move on.**
- **Engaging with tenants is more important than ever before and there is a huge amount of ways that landlords can do this through self-serving online to community groups to newsletters and beyond. It also making the communication joined up and ensuring departments do not work in silos.**
- **It's also crucial to get the right staff with the right characteristics in order to ensure the rent keeps coming in and they are able to provide the necessary support to residents.**
- **Increase automation and digital access to services.**
- **Ensure pre-tenancy and affordability check processes are robust**
- **Review your policies and procedures and ensure IT systems are fit for purpose.**
- **Having statistical data and hard evidence like this helps income teams when presenting a business case to the Senior Management Team for the additional resource or investment required.**
- **Ensure a wide range of payment methods are available including flexible DDs.**
- **Landlords need to optimise their contacts with tenants on UC.**
- **Systems must flag and prompt action on missed payments immediately.**
- **Furthermore decisive action required by landlords when tenants do not pay their rents.**

8. Thank You

Thanks for reading and we hope it helps.

We would also like to thank all those industry experts who helped compile this guide for the benefit of those working in social housing.

The organisations that helped compile this report are:



9. About Mobysoft

Mobysoft helps deliver time and cost saving solutions, which create tangible ROI for the Social Housing sector.

Founded in 2003 we offer a range of products including mobile SMS services to our unique rent arrears Business Intelligence application called RentSense. RentSense uses complex algorithms to analyse housing association's tenants' accounts, including all historical data, to assess their true arrears situation.

The software ensures an effective rent recovery process for over 70 housing organisations, including 7 of the G15. Many have collected c.£400,000 extra rent in their first year and achieved an average efficiency saving of 25%.

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