

COMMITTEE REVIEW - WITNESS SESSION 3 UNIVERSAL CREDIT AND OTHER WELFARE BENEFIT CHANGES

Committee name	Social Care, Housing and Public Health Policy Overview Committee
Officer reporting	Anisha Teji, Democratic Services Officer
Papers with report	Universal Credit: The Council's approach in its capacity as Landlord
Ward	All

HEADLINES

As part of the Committee's review into Universal Credit and other welfare benefit changes and how the Council can support residents through the transition to, and future successful management of, their Universal Credit (UC) claims, the following witnesses have been invited to present supporting information to the Committee:

- Mr Rod Smith - Tenancy Management Team - Service Manager
- Mr Mark Billings - Homelessness - Housing Manager

This will be the third witness session, focusing on a key strand to this topic, in how the Council approaches Universal Credit changes in its capacity as Landlord. A background report is provided for Members' information.

Further information may follow, after this agenda is published, due to a Landlords Forum being held on 20 November 2018, along with other workshops where officers will be able to provide more updated information to Members on matters pertinent to the review.

Additionally, Members should note that a site visit to the Job Centre Plus in Uxbridge has been arranged for the Committee for the 5 December 2018 and further details will follow.

RECOMMENDATIONS

That the Social Care, Housing and Public Health Policy Overview Committee notes and comments on the information presented as part of the witness session.

SUPPORTING INFORMATION

The agreed Terms of Reference for the review are set out below:

Terms of Reference

1. To understand the impact that the introduction of the full UC service has had in areas where it has been rolled out. To include the cumulative impact of the introduction of UC and other welfare benefit changes.

2. To understand the impact that UC, alongside other welfare benefit changes, is having and is expected to have on local residents in Hillingdon and on the income and costs of the Council, housing associations and other local organisations.
3. To examine how the Council services, housing associations and voluntary groups are supporting residents to transition to UC and manage their claims.
4. To make practical, prudent recommendations to Cabinet (and other bodies if applicable) from the Committee's findings to support residents transitioning to UC and to manage their claims.

Witness session 1

At the meeting on the 26 September 2018, the Committee heard from Debby Weller, Policy and Strategy Manager (Housing) and had regard to her information report entitled 'Universal Credit: Understanding universal credit and the claimant journey'.

The Committee also heard from Inderpal Mudhar, a representative from the Department of Work and Pensions.

Witness session 2

The Committee heard from Ellen Salkeld, Income Manager at Catalyst and Stuart Coleman – Head of Housing Management at The Barnet Group.

Implications on related Council policies

While much of this topic is set nationally set, for any changes locally, the role of the Policy Overview Committees is to make recommendations on service changes and improvements to the Cabinet who are responsible for the Council's policy and direction.

How this report benefits Hillingdon residents

Policy Overview Committees directly engage residents and external partners in the work they do.

Financial Implications

These are primarily for residents claiming UC, as set out in the background papers

Legal Implications

The primary legislation relating to Universal Credit is the Welfare Reform Act 2012, with further regulations following thereafter.

BACKGROUND PAPERS

Scoping Report

Previous Committee papers on the review published on the Council's website.

UNIVERSAL CREDIT - THE COUNCIL'S APPROACH IN ITS CAPACITY AS LANDLORD

Officer reporting:

Rod Smith, Service Manager - Tenancy Services

Appendices included:

Appendix 1 - Universal Credit Risk Assessment Form

Appendix 2 - 'Universal Offer'

Appendix 3 - Tailored Offer

Appendix 4 - UC performance & Activity measures

Appendix 5 – Workflow summary

Appendix 6 – Universal Credit Migration Officer Resource

Appendix 7 – Landlord Verification Process

Appendix 8 – Managed Payment Process

Appendix 9 – Universal Credit Flyer

BACKGROUND

Universal Credit presents two headline risks to the Council in its capacity as a local authority landlord: higher levels of rent arrears and in turn the potential for higher numbers of evictions. Both risks have potentially significant repercussions. Rental income funds services which are directly provided to Council tenants such as; repairs and maintenance, tenancy management and responding to anti-social behaviour and domestic abuse incident reports.

Aside from impact upon individual households, tenancy failure resulting in eviction is expensive. Continuing to support vulnerable households to prevent homelessness will reduce expenditure on temporary accommodation for both general funded homeless clients as well as those who fail the homelessness test whose temporary accommodation costs are funded by children's social care (section 17 funded when there are children in the household).

In summary terms, Universal Credit is one of a number of risk factors which must be effectively managed by the Council to maximise its income stream and the potential for long term tenancy sustainment.

The Strategy

Since the start of 2016, Tenancy Services have been preparing for the roll-out of UC in Hillingdon. This work has essentially fallen into two distinct phases; preparation and delivery. The third phase to complete the loop will be evaluation. The preparatory phase has not been without its challenges which have included:

- The plethora of information within the sector which has been brought forward by a variety of interest groups and landlords who were rolled out some considerable time

Classification: Public

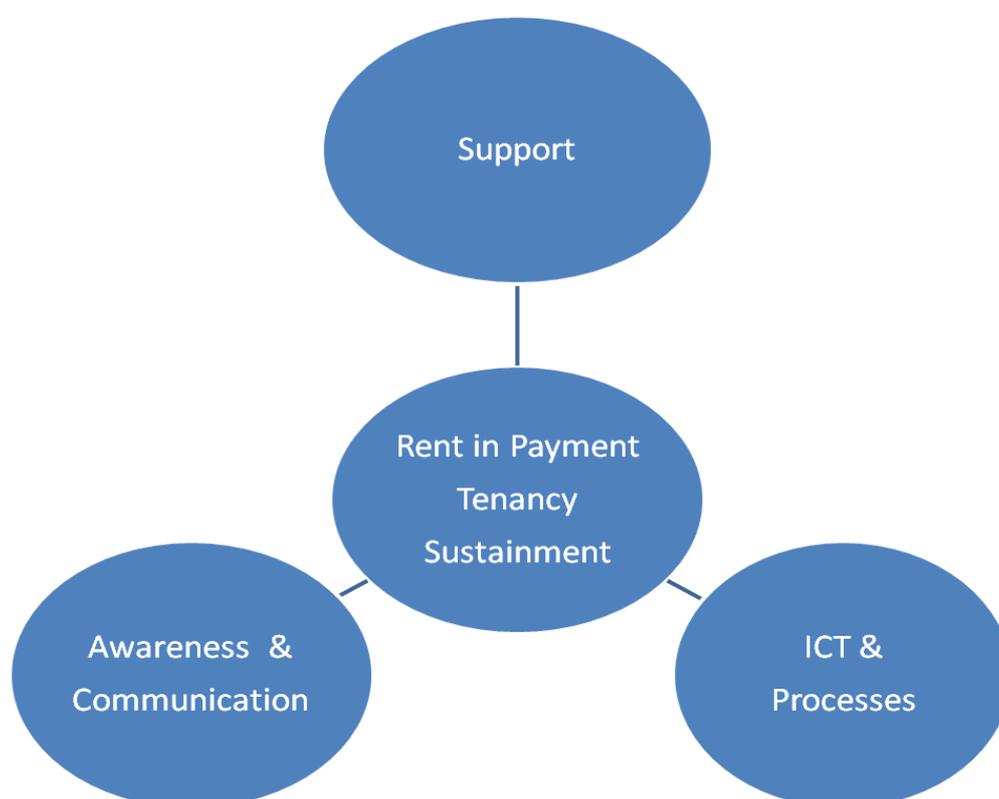
Social Care, Housing and Public Health Policy Overview Committee – 28 November 2018

ago, including the pilot authorities

- Changes to the roll-out time table
- Keeping pace with the [ever changing] 'rules' regarding UC
- The need to learn from others [who have already moved to full service] who have a stock profile and tenant profile which is similar to Hillingdon
- Keeping staff and tenants well informed in a timely and manageable way

Central to the strategy across all phases has been a 'whole organisation' approach which ensures that best possible use is made of available resources to meet business objectives. The three cornerstones of the approach are set out below in figure 1 which seeks to ensure that rent is paid and tenancies are sustained. These three cornerstones must be seen as inextricably linked in terms of securing regular rent payments and long term tenancy sustainment. No element of the plan can be delivered in isolation and is dependent, to a greater or lesser extent, on one or more of the other core elements.

Figure 1 - The three cornerstones of the Tenancy Services mitigation strategy



The remainder of this report will inform Members of various key aspects of preparation work which are being delivered under each of the cornerstones to mitigate the headline risks and place the Council in the best possible position to secure its rental income and achieve long term tenancy sustainment.

PART A – PREPARATION

Support

Early on in the preparation, stage managers from across Risk Management and Housing Support stepped up their engagement with other landlords to identify good practice and learning opportunities. From the outset managers have not simply 'cherry-picked' but have reviewed the context of why certain actions have been taken, their impact and the suitability of their use within our own operating environment.

Of particular use has been our shadowing of Oxford City Council who have a similar stock size to Hillingdon and moved to live service during October 2017, twelve months ahead of Hillingdon. Managers made a number of visits to Oxford and established an effective network of key contacts. The most important learning points from our engagement with Oxford [and other landlords] have been the need to:

- Clearly identify tenants who are not just vulnerable but 'vulnerable and at risk' in the context of UC roll-out
- Develop an 'offer' and a separate 'tailored offer' for tenants who are identified as 'vulnerable and at risk' in the context of UC
- Build operational practices and workflow management with these two assessed categories in mind
- Provide timely, accurate and simple information to both tenants and staff to secure the necessary 'buy-in' and engagement

One of the emerging themes from other landlords was that they had brought forward a dedicate staff resource which would be working closely with tenants to support them with their UC claim, the management of their claim and the management of their personal budgets.

As part of a wider programme of change to help position the Council to respond effectively to the challenges presented by the roll-out of UC, and to increase management capacity in the area, the former Tenancy Support Team was transformed into a new Welfare Reform & Tenancy Support Team. Two new Team Leader roles were created with high levels of expertise for the management of complex cases, creating a more flexible and resilient structure which could accommodate fluctuations in workload. Stronger management oversight of the casework will ensure front line officers are supported to deliver effective interventions as quickly as possible. The creation of a new Team Manager post has enabled the service to be more pro-active and to work in partnership with a wider range of services, including DWP.

One of the first tasks for the new Welfare Reform & Tenancy Support Team was to implement a new approach to tenancy 'sign-up'. Managers had previously attended workshops with the Housing Quality Network [HQN] which were designed to take a fresh look at pre-tenancy work in the context of preparing households for UC. In summary, HQN demonstrated the real

potential for supporting tenants to be 'UC ready' much further 'upstream'.

Welfare Reform & Tenancy Support Workers now attend 100% of all new tenant 'sign-ups'. Integral to this role is taking rent payments in advance [in line with tenancy obligations] to support a payment culture at the very start of the tenancy. The impact of this structured approach to tenancy induction includes:

- Promotion of key messages associated with tenancy obligations including rent payment
- Encourage over-payment of rent to build financial resilience
- Ensuring the tenant is 'UC ready' and is fully aware of claimant obligations
- Completion of a needs assessment to ensure that tailored support is provided at the earliest opportunity and that tenants are 'plugged-in' to appropriate services
- Completion of an income / expenditure exercise and ensuring tenants have adequate money management skills
- Direct and early referral into specialist [CAB] money management and digital access support
- Early identification of vulnerabilities which supports the ability to request 'alternative payments arrangements' direct from the DWP to the Council
- Promotion of Hillingdon Credit Union's 'jam jar accounts' to facilitate bill payment and effective use of Universal Credit payments to support a 'rent first' approach to financial obligations
- Facilitating low cost / responsible borrowing via Hillingdon Credit Union for essential purchases and to reschedule existing debts
- Maximising the potential for rent payments via direct debit
- Enabling 'payment arrangements' to be agreed and set up at the earliest opportunity

The Welfare Reform & Tenancy Support Team has now positioned itself at the forefront of the Tenancy Services sustainment role with a clear focus to prevent homelessness and support those tenants who are at greatest risk of tenancy failure due to UC. The team has a strong and proactive model of intervention, working in partnership with a wide range of services to best meet the needs of vulnerable households.

Tenancy Services now have two core offers in place: a 'universal offer' available to all tenants who are claiming or migrating to UC and a 'tailored offer' which is designed to support vulnerable tenants who are at risk in the context of full digital roll-out.

The 'Universal Officer' can be delivered by any 'customer facing' member of staff and is designed to facilitate a structured conversation to establish what the resident must do to prepare and be 'UC ready'. For those residents able to follow simple instructions, advice, guidance and sign-posting this offer is intended to help those who are able to help themselves. The 'tailored offer' is only delivered by members of the Welfare Reform & Tenancy Support Team. This resource will be engaging with and supporting those tenants who are not just vulnerable due to a range of underlying issues but are also 'at risk' in the context of UC. A risk assessment tool has been developed by the service to help identify the

most appropriate offer and service pathway. Staff have been trained in the use of this tool

Proactive referrals are coming into the Welfare Reform & Tenancy Support Team in relation to the tailored offer via the following routes:

- Assessment of need at the new tenant sign-up process
- As part of the landlord verification process [when the tenant first applies for UC]
- As a result of on-going risk assessments undertaken by staff who are continuing to engage with tenants

The Risk Assessment form used to identify tenants who may be 'vulnerable and at risk' in the context of UC is attached as Appendix 1. The 'Universal Offer' in use by staff across Tenancy Services is attached as Appendix 2. There is no template for the 'tailored offer'. By definition, the work undertaken by the Welfare Reform & Tenancy Support Officers is based on an individual assessment of need which is addressed via a person centred support plan that will vary from tenant to tenant. However, Appendix 3 does give an indication of the likely areas of support and intervention.

ICT & Processes

The introduction of Universal Credit means that the rent collection business model that landlords have operated for the past 30 years will ultimately become obsolete. The model used was based upon the assumption that rent collection is essentially an administrative exercise built around housing benefit procedure where the tenant is effectively absolved of responsibility for the rent once they have made a claim. The result was that the tenant became a passive third party and the bulk of rent collection was conducted via the working relationship established between the landlord and the housing benefit department. Effective rent collection was substantially about registering a claim and ensuring all the procedures and documentation required to determine the claim have been complied with. The majority of the support a tenant might need to pay their rent was managed by the administration of their claim and there was little need for any real customer insight. Risk to income was collective because it could largely be controlled and managed through effective administrative procedures.

Experience from Universal Credit pilot projects and live areas shows that landlords need to become much more consumer focused and commercial in their approach to rent collection. This is not simply about taking a tougher and less tolerant approach to arrears but about being more sophisticated and intelligent with data and being able to respond with new ways of working and new ideas for services for a range of tenant needs. Moving forward, efficient rent collection will depend much more on the effective prediction of individual risk.

During autumn 2017, the Council procured and formally engaged Mobysoft RentSense. Mobysoft has developed a unique rent arrears decision engine (RentSense) which uses complex algorithms to analyse historical data on a tenant's rent account to assess their true

arrears situation and prioritise the case for the staff member. This approach enables rent arrears recovery staff in the Risk Management Teams to accurately identify which cases need further attention, giving them the knowledge needed to focus resources as efficiently as possible. This managed service has the potential to make a significant contribution to our rent arrears recovery process by reducing waste, increasing capacity and increasing collection rates.

Commonly rent arrears recovery staff have hundreds of accounts which appear to be in arrears. Tenant's payment profiles vary greatly for a variety of reasons including; wage / salary payment dates, benefit payment dates or simply because they are erratic payers. Every recommended action raised by a typical housing management system [and this includes Northgate using by the Risk Management Teams] has to be double checked before that recommended action is taken [or not] in line with an escalation policy. Time and resource is therefore used [and wasted] chasing up arrears which are not a priority, whilst potentially genuine problems are not being prioritised.

Mobysoft undertook a 'free of charge' diagnostic review of the work undertaken by the two Risk Management Teams in Tenancy Services. Their high level outcome is set out below:

Potential Impact

Rent Roll 17/18 - £62m

HB Income - £34m

Paid direct income - £28m

Risk Management Officers FTE across intervention and enforcement - 12 FTE

Averaged managed income per Risk Management Officer [RMO] - £2.33m

Estimated HB moving to Universal Credit - £26m

New managed direct income per RMO - £4.5m

Potential workload increase - 90%+

Extra FTE RMOs required for Universal Credit - 11 FTEs

Full digital roll-out - October 2018

Situation

Universal Credit presents a revenue risk

50-60% RMO workload does not require contact (unnecessary monitoring)

Morale impacted by unnecessary monitoring and increased UC workload

Cases 'missing' from reports - reliance on manual RMO monitoring

At least 2.96 FTE capacity gains by ↓ waste / unnecessary workload

Unresolved challenges by will mean 5+ FTEs time wasted

Table 1 - Case load analysed

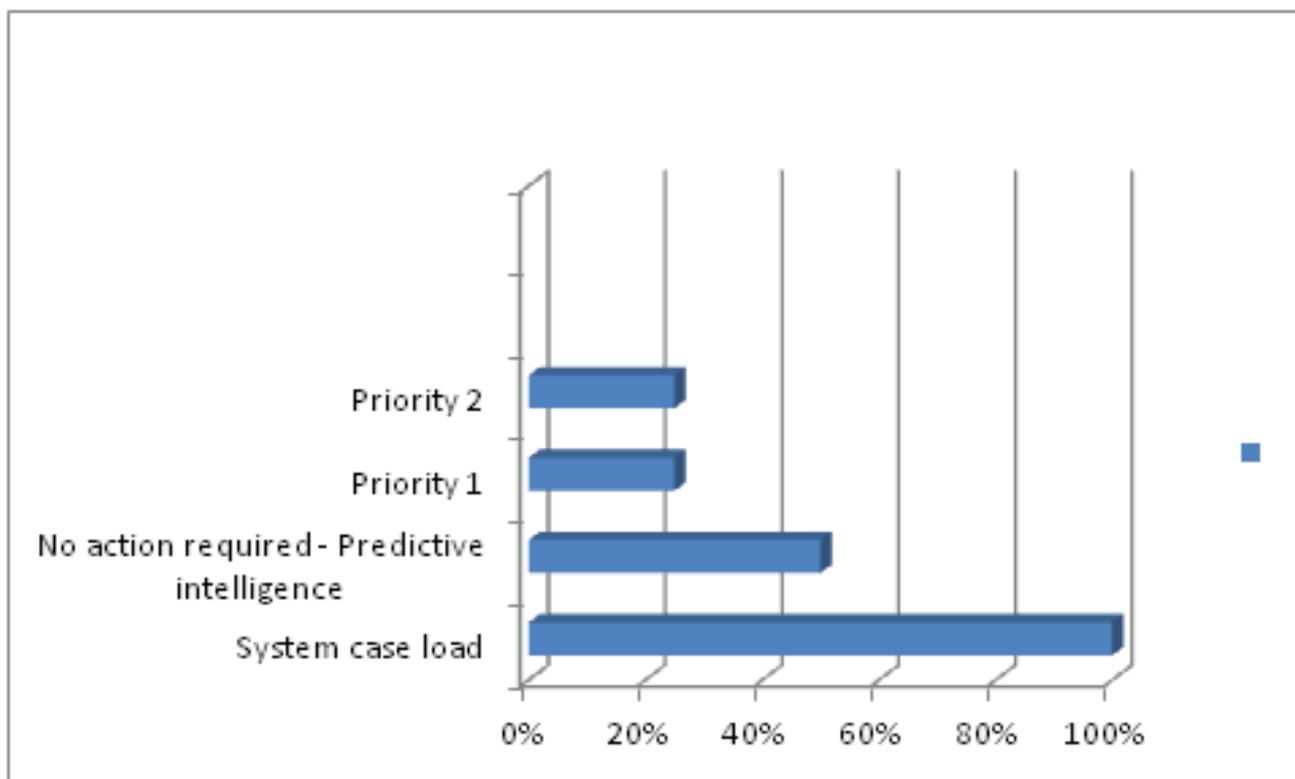


Table 1 demonstrates that from the total system caseload analysed by RentSense, predictive intelligence would determine that half of all cases would not require contact / action. The remaining caseload is determined as being 'priority 1' or 'priority 2'.

The high level objective of using RentSense is to remove unnecessary workload to free up additional capacity to ensure that revenue collection is maximised and the challenges of universal credit are mitigated. The option to 'do nothing' means valuable resource continues to be wasted reviewing cases unnecessarily. This presenting situation would be against the backdrop of a significant upturn in workflow linked to Universal Credit roll-out.

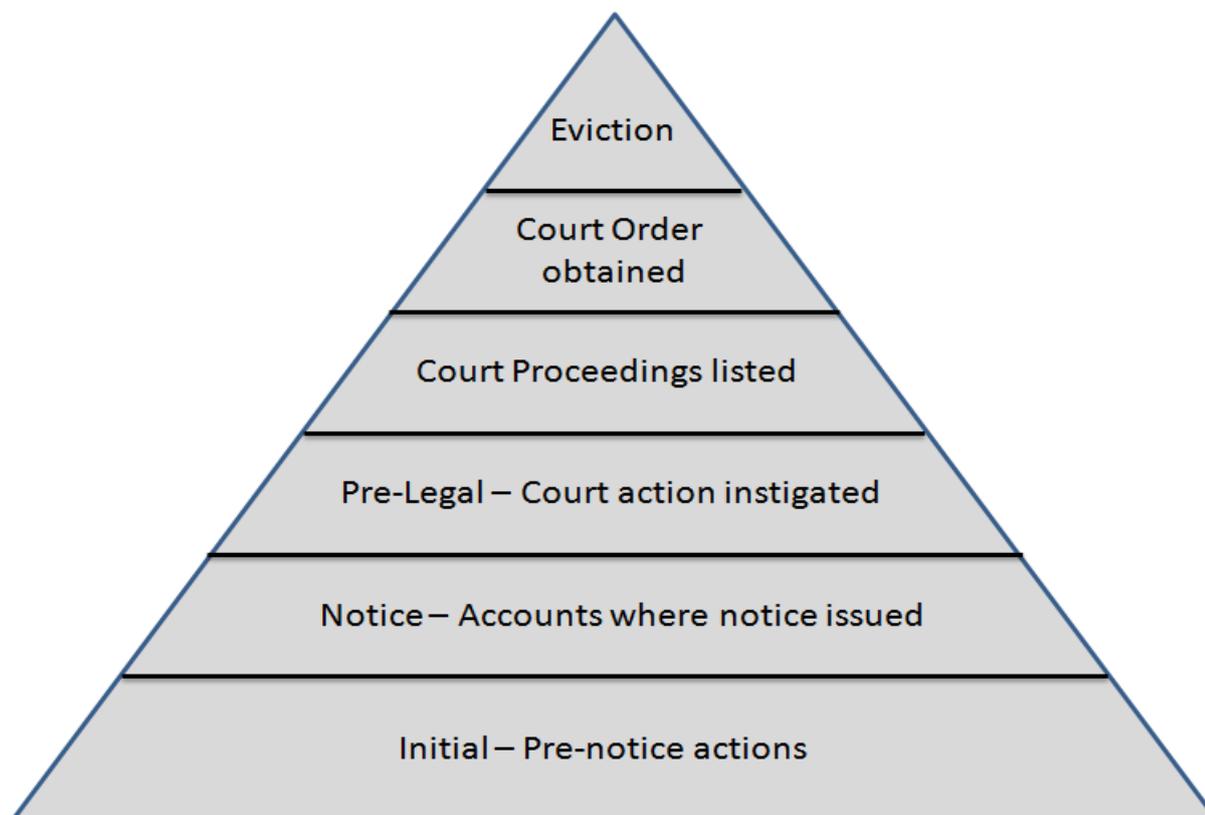
The **Risk Management Teams** have undertaken a transformational step change in the way they work. Traditionally this staff group have worked on a geographic patch basis associated with a staff member being responsible for the management of all arrears for a defined number of properties. Although this approach has its advantages, it does result in differences in workload between patches. No two patches are the same and have very different debt profiles. It has been recognised that this may not be the most efficient way of working, particularly within a UC operating environment.

The new way of working moves away from this traditional approach and adopts a way of working linked to **six defined 'master status levels'** or bandings of arrears work. The bandings are reflected in figure 2 below. In summary, there is an **inverse relationship between the number of arrears cases within each banding and the level of input required to manage those cases**. At the bottom of the triangle are 'initial - pre notice actions'. There will be a significant number of cases within this band involving tenants who may have made a late payment or missed a payment. The actions here will relate to initial reminder type letters. The volumes are high and the debt levels are low. The complexity of case work is also low and is more aligned to simple processing. Staff resource to manage this banding is relatively small.

Conversely at the top of the triangle are those tenants who are facing imminent eviction. The number of cases in this band is low at any one point in time, however the debt levels are likely to be significant along with time spend. Case work at this level is frequently complex, particularly where families with children are involved. The top third of the triangle bands present the most challenges in the context of tenancy sustainment.

Following initial analysis to determine the actual number of cases and debts within each master status level, **staff resources have been re-assigned to manage the debt**. Over time, these staff resources will be reviewed and also rotated to ensure that all Risk Management Officers are competent in managing each of the master status levels.

Figure 2 - New ways of working - Six 'Master Status levels'



The DWP will not simply accept and process an online application for UC from a tenant. Integral to the processing and determination of a claim is '**landlord verification**'. Social landlords must verify all requests from the DWP Service Centre in order for their tenant's applications to progress. This new role is now being performed by the **Housing Charges Team** within Tenancy Services. Verification requests also act as **an important 'trigger'** for the Council to engage with UC claimants / tenants to offer support at the earliest opportunity.

The verification process covers:

- ✓ Name of all tenants on the tenancy agreement
- ✓ Property address including postcode
- ✓ Current rent and frequency
- ✓ Full breakdown of rent including all service charges
- ✓ Number of bedrooms in the property
- ✓ Confirmation as to whether the tenant is in temporary accommodation or not
- ✓ Vulnerability

A 'high level' process map has been produced [see Appendix 7] which reflects the central role of the Housing Charges Team in processing requests for 'landlord verifications'. The detail below this process map is now being documented to reflect the additional transactions integral to this role and the added value which can be gained from this point of initial contact.

These transactions and ‘added value’ include:

- Where a tenant has not been risk assessed by the Risk Management Team, referring cases for assessment as an integral part of the verification process
- Risk Assessment will determine at this early stage if the tenant should appropriately be referred into the Welfare Reform and Tenancy Support Team [for the ‘tailored offer’]
- Early engagement and provision of support will maximise the potential for a successful claim, secure regular monthly payments and ensure the tenant is fully aware of their claimant obligations and knows where to access help to comply with them
- Irregularities documented in the verification can be swiftly identified and referred to Tenancy Management for resolution. Typically, this is expected to include issues regarding parties which have been recorded as the tenant. Timely interventions at this point will support successful claims

‘**Managed payments**’ [also known as ‘alternative payment arrangements’ or APAs] were introduced by Government in response to concerns associated with the ability of vulnerable tenants to manage their monthly UC payments to ensure that priority outgoings such as housing costs are actually paid. The Housing Charges Team will also have a key role to play in relation to rent being paid directly to the Council from the tenants UC award. This role falls into two distinct work streams:

- As part of the verification process, confirming that [vulnerable] tenants meet the threshold for Managed Payments. This relies upon our risk assessments being undertaken swiftly and comprehensively
- Receiving a potentially large schedule of monthly payments directly from the DWP which must be assigned and credited to individual rent accounts

Detailed work is concluding to map and document these important work streams. Options are also being considered in relation to **automating the posting of managed payments** directly into tenant’s individual rent accounts as an alternative to manual transactions.

The **Tenancy Management Teams** remain responsible for the ‘end to end management’ of all tenancy types. As part of the effective delivery of this function, they have both planned and ad hoc contact with tenants regarding a wide range of matters. This extends to the viewing function which presents real opportunities to prepare residents even before they become a tenant. Each of these contacts presents an opportunity to undertake a **UC risk assessment** and ensure our tenants are ‘**UC ready**’ via the delivery of our ‘**universal offer**’. Each contact has the potential to ‘**add value**’ as part of ensuring that UC claims are successful and tenants are meeting their tenancy obligations. To ensure the value of each contact is maximised, Tenancy Management Officers have embraced a changed mindset which necessitates checking the status of the rent account and the tenant’s position on the ‘claimant journey’ before any contact takes place.

Having a greater role in the successful management of UC claims and the regular payment

of rent helps to support the **'one service approach'** and raises the profile of this particular aspect of tenancy compliance within the broader management of the tenancy.

All tenants assessed as **'vulnerable and at risk'** are now referred into the **Welfare Reform & Tenancy Support Team** for a **'tailored offer'** of more intensive work and support to enable the tenant to successfully claim, manage their UC and meet their tenancy obligations. To mirror the challenges presented by the new Universal Credit operating environment, the Welfare Reform and Tenancy Support Team have in turn adopted a **new model of support**.

Referrals now come into the team for tenants assessed as 'vulnerable and at risk' from:

- Housing Charges Team - linked to the new claim verification process
- Risk Management Teams - following the risk assessment of a new claimant or a household in receipt of Housing Benefit who will move to UC as a result of a material change in circumstances
- Tenancy Management Teams - linked to the rolling risk assessments which are underway across the permanent housing stock.

In addition to this form of **'outreach' work**, the Welfare Reform and Tenancy Support Team take the lead role in the **new tenant sign up** process. This **'in reach' work** stream provides an important opportunity to risk assess all new tenants, ensure they are **'UC ready'** and deliver the 'tailored offer' at the earliest possible opportunity.

Teams across Tenancy Services have therefore put in place a number of new structures, systems and processes linked to mitigating the impact of Universal Credit. Many of these mirror the good practice and research which managers have identified and adapted to align them to local circumstances. These changes will be subject to review.

Awareness and communication

The third cornerstone of the UC roll-out and mitigation plan has been the need to raise awareness and effectively communication with a range of stakeholders; the three key groups in this context have been our tenants, our staff groups and the DWP. In the context of staff groups, managers from Tenancy Services have reached out to other service teams in the Council to raise awareness of UC and how to support residents in being 'UC ready'.

Creating and developing productive working relationships with a range of partners has helped to support the tenancy sustainment objective and the payment of rent. In the context of UC, using these relationships to discuss claims and overcome barriers to payment make life easier for tenants and staff. From the early pilot roll-outs across the country, landlords have highlighted the need to work in partnership with external agencies to help mitigate the risk of UC and the most important partnership is that with the DWP.

Many organisations highlighted the need to not only build a close relationship but to do this on a personal and local level too. This included:

- Building a strong relationship with local managers
- Ensure staff build relationships with their DWP contacts
- Work closely with local job centres [JCPs]
- Participate in digital platforms to ensure you get information quicker
- Note that National Insurance numbers are essential for DWP communication
- Know what you can and can't ask and know the escalation process
- Encourage claimants to work with and engage with their work coach and do what is required to comply with the claimant commitment as sanctions are easily imposed

With these principles in mind, our managers and staff groups have positively engaged with and built effective working arrangements with lead managers in the DWP and our local JCP offices. Earlier this year personal contact was also made with staff in our UC service centre located in Cornwall. Examples of current engagement are set out below:

- An established escalation pathway to the JCP offices which enables teams to raise issues directly with the work coach team leaders. Urgent casework can be escalated to the JCP customer services manager
- An interim casework spreadsheet has been shared with our UC service centre to provide us with details of whether cases are being assessed, suspended or cancelled ahead of our telekit conference meetings which commence during the last week of November
- The telekit initiative from DWP enables secure 'case conferencing' to take place between staff in Risk Management and the DWP to ensure that issues with new claims or existing claim management can be swiftly resolved.
- Arrangements have been made for staff from the Risk Management, Housing Charges and Welfare Reform & Tenancy Support Teams to shadow the Work Coaches to better understand their role and opportunities for referral, early intervention and support
- Managers meet regularly with the DWP partnership manager for Hillingdon to resolve any emerging operational issues between the services.

In line with other local authority landlords the Council has 'trusted partner' status with the DWP and access to its 'landlord portal'. The landlord portal provides the Council with the ability to submit information directly to the UC online system and to view information about tenants who have claimed or are in receipt of UC. Trusted partner status also enables requests for 'alternative payment arrangements' to be submitted and accepted by the DWP without 'challenge' or further assessment.

Integral to developing a UC roll-out and mitigation plan was the need for the Council to be clear about what it was trying to achieve as a landlord. In turn this helped to shape our communication strategy and engagement with tenants. The Council's objectives in this context were clear:

- Mitigating financial risks
- Supporting tenants
- Creating a direct payment culture and changing customer ethos
- Empowering staff

- Moving tenants closer to work

Developing a better understanding of how UC affects tenants helped to inform the Council on how best to raise awareness, communicate and support tenants. The flyer attached as appendix 9 was developed and used in response to basic questions being raised by tenants. Improved customer insight also helped to target communications and resources. What became clear was the need to:

- Monitor and clean data so it is easy to identify residents who will be affected
- Prompt tenants to tell the Council if they have been switched across to UC or claim UC within a six month period of coming off UC
- Profile and assess tenants based on risk. In this way the Council could match the appropriate resource to the appropriate risk level ensuring an efficient approach.
- Front loading engagement and support with new tenants to create the conditions necessary for stable and regular rent payment.

Early evidence from pilot authorities demonstrated the need to embed a culture of 'rent first' with their tenants. Generally, organisations found that many tenants will only engage fully when they know they will be affected. A culture shift requires:

- A rent first culture with both tenants and staff
- A review of all literature to ensure that material conveys and communicates the rent first approach
- Contact with tenants early in the cycle, understand their needs and introduce them to other services

A number of simple but practical communications measures have been used over the last two years, and in some areas continue to be used with our tenants including:

- The use of self-adhesive strap-lines across the back of envelope seals directing tenants to further information and support
- The use of strap-lines across a range of template letters
- Up to date website pages with links to the DWP and other service providers
- Using quarterly rent statements to convey clear and simple information to tenant to use in their UC claim
- Maximising the use of text messaging which is both immediate and responsive to remind tenants of payments due and missed payments

The importance of changing and supporting the internal cultural change could not be overstated. Three of the biggest 'musts' have been:

- The need to support and re-skill staff. Staff required a lot of support for the change in their roles. Whilst this was another intensive resource, it bears fruit as staff gain additional skills whilst being much cheaper and quicker than recruiting. Staff development remains ongoing
- The need for ongoing consultation with staff. Getting their feedback, understanding

their concerns and supporting them to adopt new ways of working helps to embed the culture shift

- The need to prepare Boards and Members. Sharing findings and providing updates supports the 'one organisation approach'.

As part of adopting a culture of 'rent first' it is important to adopt the culture within the organisations performance management framework which includes 121s and the appraisal process. In this context, the UC work stream has been firmly embedded in performance and development plans across Tenancy Services for the last two years.

Supplementing the work undertaken by the Council in the context of its landlord role a cross-service project group was established to manage the broader risks associated with Universal Credit; most notably increased homelessness resulting from potential evictions and a reluctance of landlords to house benefit claimants. The project team meet on a six weekly basis and report into Housing Board on the same frequency. Standing agenda items include:

- Ensuring teams have appropriate staff resources and structures in place
- Updating and providing policy and practice guidance for staff
- Reviewing processes
- Delivering an effective communication plan involving residents and staff groups
- Training
- Support for residents
- Making effective use of customer insight and management information

One key area of reporting and review for the cross-service project group has been customer access. In August 2018 the Customer Contact Centre introduced a new Housing call category [Universal Credit]. Headline calls over the three month period August to October 2018 are set out below:

August 2018

Call type	Calls offered	Resolution [%]	Ave handle time
Housing needs	5361	84	9.19
Housing rents	1856	91	5.42
Housing repairs	3615	80	7.45
Tenancy & estates	760	86	9.10
Universal Credit	1	0	0
Sum	11593	84	8.09

September 2018

Call type	Calls offered	Resolution [%]	Ave handle time
Housing needs	5596	85	8.56
Housing rents	1928	92	5.36
Housing repairs	3441	81	8.04
Tenancy & estates	886	86	8.37
Universal Credit	26	79	7.42
Sum	11877	85	8.02

October 2018

Call type	Calls offered	Resolution [%]	Ave handle time
Housing needs	4118	86	8.49
Housing rents	2173	90	5.48
Housing repairs	4392	78	7.51
Tenancy & estates	900	86	8.40
Universal Credit	2649	90	8.03
Sum	14232	85	7.51

The uplift in call volumes during the month of October will relate to the final 'large scale' mail out to tenants in advance of the 'go live' date of October 2018. It is extremely positive to note that the resolution rate for these calls was in the order of 9 out of 10 resulting in only 1 in 10 calls being passed through to the 'back off'. Call volume and call handling data will continue to be monitored by the cross-service project group.

PART B – DELIVERY

The service has now positioned itself well to ‘stress-test’ the measures it has put in place to manage the workflow and the risks presented by UC. These measures have been reported to Housing Board on an ongoing quarterly basis since February 2016. The core areas to stress test are:

- **Landlord verifications** - the need for a number of ‘back office’ checks to be managed through the DWP ‘landlord portal’ for all new UC claims and requests for ‘alternative payment arrangements’.
- **Role of the UC Migration Officer** - the key interface between the Housing Charges Team, the Risk Management and Welfare Reform & Tenancy Support Teams. This resource will risk assess all new claimants for UC and ensure that they are either referred into the Welfare Reform & Tenancy Support Team for tailored support or provided with advice and assistance until UC is successfully in payment and the first rent payment is made
- **New model of support within Welfare Reform & Tenancy Services** - the ability of the re-modelled service to manage increased workflow and effectively support tenants who are not just vulnerable but ‘at risk’ in the context of UC
- **Use of ‘alternative payment arrangements’** - one of a number of ‘tools in the box’ to support vulnerable households and mitigate the impact of arrears escalating
- **Posting managed payments directly to rent accounts** - ensuring that large schedules of direct rent payments are posted to the correct rent account in a timely fashion
- **Extent of tenants who are ‘UC ready’**- ongoing preparatory work to ensure that all households are ready to migrate over to UC and have the capability and confidence to manage their claim and payments in the long term
- **Effectiveness and use of the ‘universal offer’**- ensuring that this key document remains relevant, up to date and effective for all staff groups to use as part of ensuring that tenants are given clear, consistent and practical advice in the context of UC
- **Impact of changes to new tenant sign-up** - maximising the potential of early assessment, support and intervention to ensure that all new tenants are effectively supported and adopt a ‘rent first’ culture
- **Referral pathways to CAB associated with locally delivered personal budgeting and digital access** - making best use of DWP funded support to enable tenants to make and maintain online claims and manage their income responsibly
- **Ability of all staff groups to ‘add value’ via personal contact with tenants** - ensuring staff groups adopt and embrace a changed mind-set in their day to day contact with tenants which reflects a full understanding of the claimant journey and supports the ‘rent first’ culture
- **Capacity within Risk Management and effectiveness of new ways of working** - testing and monitoring new ways of working to make the best possible use of available resources which also supports an evidence base for any changes to resource levels
- **Working relationships with UC service centre / escalation of casework and**

‘troubleshooting’ - networking and the use of ‘key contacts’ and escalation pathways must support swift and accurate resolution of casework issues for tenants

- **Role of UC performance & activity measures to identify trends and influence behaviours** - measures adopted must support a culture of learning and drive ongoing transformation to meet the risks presented by UC and to support medium term modelling

UC performance & Activity measure

The number of live claims within the service still remained low at the midpoint in the year - see Appendix 4 - UC performance & Activity measures. Of the 78 claims in payment at the end of September 2018, 65 tenancies were in arrears with an average arrear of £1,179.00. The average uplift in arrears however [given that some tenants were already in arrears at the time of claiming UC] was only £210.00. This is less than 2 weeks average rent. The cash value of this uplift is however in excess of £16k.

Appendix 4 sets out the new suite of performance indicators and activity measures which will be reported to Housing Board moving forward as part of monitoring the impact of UC and the effectiveness of the mitigation measures in place.

For the avoidance of any doubt, Members of the Policy Overview Committee should be clear that total arrears will increase in a UC live operating environment. The task for Tenancy Services in partnership with other service providers is to continue to work to maximise the potential for long term tenancy sustainment, minimise the potential for costs to be transferred to other parts of the Council and manage downwards the debt spike in the years following roll-out.

Appendix 1 - Universal Credit Risk Assessment Form

Universal Credit Risk Assessment

Prior to visiting or making a phone contact, please complete desktop checks e.g. Rent account (Northgate), Tenant history (Civica file/notes); e.g. repeat homelessness, history of DA and talk to colleagues/agencies who currently or have recently worked with the tenant. Please complete by ticking Yes or No .

Name: Address: National Insurance no:
Conversation to identify clients who are vulnerable and would be at risk of tenancy failure without support in the context of Universal Credit (UC).
1 - Background [this may be available from the 'desktop' checks]
<ul style="list-style-type: none">• Previous accommodation was supported or temporary accommodation• Current risk of eviction due to financial or behavioural issues• History of tenancy failure / loss of accommodation• Care leaver• Refugee or asylum seeker• History of long term / repeat institutional confinement eg hospital / prison / care• History of domestic abuse• Previously a member of the armed forces
2 - Money Management
<ul style="list-style-type: none">• Severe or multiple debt problems• Subject to a current Possession Order / Attachment of earnings• History of rent arrears leading to formal action• Do you manage your finances on a 'week to week' basis• Do you struggle with managing your money / household budget• No access to banking facilities / facilities which enable automated payments• Currently subject to 3rd party deductions from benefits• Experienced at applying for benefits such as HB online• Rent / Council tax / utility bills paid by DD
3 - Health Issues / personal circumstances
<ul style="list-style-type: none">• Struggle with alcohol, drug or other addiction problems• Underlying mental health issues• Family with complex and multiple needs e.g. child in need / in care• Learning difficulties present• Long term bereavement issues• Low or no literacy skills• English is not the first language in use• Chronic health condition / physical disability which impacts on day to day activity

- Low or no ICT skills
- No access to ICT
- Hoarding disorder present
- Not currently in education, employment or training

Additional information:

Assessment Outcome Guidance:

Once your conversation is concluded, please indicate the outcome of your assessment below.

To select '**Vulnerable and at Risk**', you will have said **Yes to three or more** selections in **each** of the categories: 1- background, 2- money management and 3- health issues/personal circs. In summary a total of **nine** or more selections puts a tenant in the 'vulnerable and at risk' group. They must be flagged on Northgate for support in the context of UC.

Please note that in some cases tenants will not be as forthcoming as we would like them to be. If in doubt about their vulnerability or if you think the case is marginal please select **Yes** below. Flags can be changed following engagement during full UC roll-out if necessary.

'Vulnerable and at Risk in the context of UC'

'Not vulnerable and at Risk in the context of UC'

Officer's name:

Ex no:

Date of conversation:

NOTE: - For every tenant who has been risk assessed using this form a 'Flag**' needs to be entered on their Northgate record using the 'How to Guide'.**

For tenants who are 'vulnerable and at risk' in the context of UC' the flag is:

For tenants who are not vulnerable in the context of UC the flag is: ***** (please use this code for tenant categories of exceptions who will not be claiming UC).

Appendix 2 - 'Universal Offer'

Universal Credit (UC) - providing a Universal Offer

A Universal Offer is the very basic support that all staff across teams can offer residents they speak to, this could be within the current Pilot area (HA5 & HA6) and outside of the pilot area in preparation for the Oct 18 roll-out.

Following on from your initial conversation i.e. a resident called or you called them (not necessarily related to benefits); these notes can help/guide your conversation with every contact.

Is the tenant you are speaking to UC ready? Find out:

<p>Do you have a bank account?</p> <p>Officer info:</p> <ul style="list-style-type: none"> • Universal Credit will be paid monthly in arrears including housing costs (replacing housing benefit), this will only be paid into one bank nominated by claimant • Tenants will be responsible for paying their rent directly to the council - encourage them to set up a Direct Debit by calling 01895 250383 or email: housingcharges@hillingdon.gov.uk. • The current digital online claim does not allow Post office card accounts to be entered as a bank account. 	<p>If Yes - how do you pay your rent? <i>Client response - By Direct debit or rent card - no action required</i> <i>If they say housing benefit or the council pays my rent - add- did you know that from Oct 2018, way housing benefit is paid will change- refer to officer info</i></p> <p>If No - claimants cannot proceed with the UC claim without entering bank details. <i>provide options i.e. Credit Union:</i> <i>tenants can join Credit Union via online application form:</i> https://www.cusecureserver.co.uk/~lbhcu/digital/members/frm_memberapp.php By Phone: 01895 250958 (Mon - Fri 10.00 am - 3.00 pm). And Email: info@hillingdoncu.co.uk</p> <p><i>Basic Bank account - many high street banks should offer fee-free basic bank accounts:</i></p> <table border="1"> <thead> <tr> <th>Bank or Building society</th> <th>Basic Account name</th> </tr> </thead> <tbody> <tr> <td>Nationwide Building Society</td> <td>flexbasic</td> </tr> </tbody> </table>	Bank or Building society	Basic Account name	Nationwide Building Society	flexbasic
Bank or Building society	Basic Account name				
Nationwide Building Society	flexbasic				

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<i>Santander</i>	<i>basic</i>										
<p>Do you have an email address? Officer info:</p> <ul style="list-style-type: none"> • Claimants need an email address to apply for UC. • The online claim form for UC does not allow a claim to proceed without entering a mobile phone number and an email address. • Journal prompts are made via email 	<p>If Yes- <i>take the email address and add to tenancy file</i></p> <p>If No - <i>are you able to set up an email address - if Yes - request tenant to share this with us once they set one up.</i></p> <p>If No - <i>I need help to set one up - send a google guide to tenant and recommend IT training provided by uxbridge library - see details below:</i></p>										

<p>Are you able to fill out forms online/on a computer?</p> <p>Officer info:</p> <ul style="list-style-type: none"> • Digital ability is an important aspect for UC applicants. • Claimants will have an online UC account to manage their claim. • They will be required to use their account to report changes in circumstances and receive/send messages to their work coach 	<p>If Yes - do nothing</p> <p>If No - are they in the UC Pilot area and claimed or in receipt of UC? - refer tenant to CAB for digital support, the referral route is: PBsupport@hillingdon.gov.uk. CAB will make direct contact with the tenant.</p> <p>If No - out of HA5/6 Pilot area - suggest and support tenant to book or encourage tenant to book ICT training with Uxbridge library, they offer taster sessions for beginners at 11.00 am and intermediate at 10.00 am every Friday morning (booking only). Photo ID and proof of address required.</p>
<p>Do you have access to a computer?</p> <p>Officer info:</p> <ul style="list-style-type: none"> • Computer access is a requirement for UC claimants to claim and maintain their claim. 	<p>If Yes - do nothing</p> <p>If No - tenants can access computers - at the civic center housing reception, Libraries across the borough. And if they live in Yiewsley/West Drayton area - computer access is available at the Com Cafe Glebe estate - opening hours Wednesdays and Thursdays 9.00 am - 5.00 pm and Fridays 9.00 am - 2.30 pm.</p>
<p>Do you currently pay your rent or is your rent paid by Housing benefit?</p> <p>Officer info:</p> <ul style="list-style-type: none"> • UC claimants will receive housing costs paid to them directly (unlike 	<p>If Yes - tenant pays rent either by Direct Debit or Rent card and they are not in the UC Pilot area - encourage them to pay £1.00 extra or more if they can afford to. Inform them that this will prevent them from falling into high arrears in the future when UC comes their way (full roll out expected in Oct 18 and registering a change of circumstance, residents will move to UC).</p> <p>If No - HB or the council pays the rent, are they working age, Single? Or a</p>

<p>HB payments paid directly to landlords/council)</p> <ul style="list-style-type: none"> • The Housing costs element is paid monthly in arrears, paying extra will help to cover rent before the claim is awarded. • UC claimants will be responsible for paying their own rent and other housing costs. They also will be required to apply for <u>Council tax reduction</u> separately. 	<p>Single parent with up to two children? or a Couple with up to two children or a Couple without children? UC applies to this group. The tenant needs to know that they will have to apply for UC when there is a change in their circumstances.</p> <p><i>NB -UC will not generally apply to tenants in B&B.</i></p>
<p>Do you generally struggle with budgeting?</p> <p>Do you find that the money you get is not enough to cover your rent, shopping and bills? Officer info:</p> <ul style="list-style-type: none"> • In difficult circumstances - help is available from Hillingdon Foodbank <p>Via food vouchers from:</p> <ul style="list-style-type: none"> • Citizens Advice Bureau • Children’s centres • Health visitors • Housing Benefit (only provided to HB customers) 	<p>If No - tenant is fine with money management - do they know about Credit Union and its saving and borrowing opportunities? If no, please provide info/details.</p> <p>If Yes - in UC Pilot area? - refer tenant to CAB for budgeting support; The referral route is: PBsupport@hillingdon.gov.uk. CAB will make direct contact with the tenant.</p> <p>You can also recommend this site: http://obs.moneyadviceservice.org.uk/, it is designed to support UC claimants with budgeting. Here users can be signposted to financial guidance and support relevant to their personal circumstances, hints and tips for money management and paying bills for their monthly income. Also signposting users to further support i.e. advanced payments and free debt advice.</p> <p>If Yes - not is Pilot area - any known vulnerabilities? Yes, refer resident to tenant to the Welfare Reform and Tenancy Support for support team.</p>

*No known vulnerabilities, provide helpful information i.e. the Money Advice Service gives free money guidance online at moneyadviceservice.org.uk or tenant can contact money advice on free phone **0800 138 7777***

***Hillingdon Drop In-Navigator P3** is open to all young people who need advice and support. You can contact them on **01895 436114** or they can drop-in to the Yiewsley Navigator.*

Appendix 3 - Tailored Offer

DWP uses a criteria to identify a risk of financial harm to claimants and their families if they receive monthly payments. They have classed **tier 1** and **tier 2** vulnerability factors as follows:

<p>Tier one factors:</p> <ul style="list-style-type: none"> • Drug, alcohol or other addiction problems • Learning difficulties including literacy and numeracy problems. • Severe or multiple debt problems • In temporary or supported accommodation • Homelessness • DV or abuse • Mental health conditions • Rent arrears • Risk/threat of eviction • Repossession • Clients aged 16 or 17 years • Young person and leaving care • Families with multiple and complex needs. Language skills i.e. reading or English isn't first language <p>Tier one claimants will likely need an Alternative Payment Arrangement (APA) depending on their personal circumstances.</p>	<p>Tier two factors:</p> <ul style="list-style-type: none"> • No bank account • Third party deductions from client benefits i.e. to pay fuel bill arrears or ongoing costs • Refugee or asylum seeker • History of rent arrears • History of homelessness or living in supported accommodation • Disability • Just left/released from prison or hospital discharge • Recent bereavement • Been in armed forces • Not being in education, employment or training. <p>Tier two vulnerabilities means claimants might need an APA, however it is not likely they will get this as someone with tier one vulnerability (this is dependent on personal circumstances).</p>
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Clients who are vulnerable and at 'risk' could present with any of the tiers **1 or 2** vulnerabilities and will need a tailored support package.

<p>A tailored support package offer could include all or some of the following:</p> <ul style="list-style-type: none"> • Helping UC claimants to address their digital and financial barriers. (i.e. no access to internet, inability to complete online application due to mental health and those who can't read or write) • Applying for a hardship payment when claimants are 'sanctioned' (i.e. for not satisfying claimant commitment - personal allowance element, doesn't include housing costs or child elements of UC). Depending on what they haven't done and how many times they have failed to meet their responsibility; a sanction can apply for anything from 4 months to 3 yrs, (support with application - upto 40% can be deducted, repayment is expected). • Getting help with budgeting for vulnerable clients who need money advice/money management and budgeting on a monthly basis, access to banking/ jam jar credit union and paying bills on time.
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- Applying for Council Tax support via the Council.
- Support with UC new claim advance payment in cases where they can't manage financially until their first payment comes in (any monies offered will be recovered over a period of time).
- Applying for alternative arrangements (more frequent payments than monthly could be considered) for people with a history of addiction, mental health conditions and DV.
- Applying for 2 homes:- in cases where there is fear of violence as long as there is an intention to return to the original home (for up to 12 months) and disabled persons who can't move to a new home because property needs adaptation
- Help for making and managing online claims including reporting change of circs online, sending messages to their work coach and help in understanding responsibility for rent payments. (exclusions - water rates and reduction for under occupation, 1 bedroom 14% & 2 bedrooms 25%).
- Help to understand their claimant commitment and consequences if these are not met (claimant commitment sets out what they have agreed to do to prepare for and look for work or to increase their earning if they are already working), based on their personal circumstances and progress is updated on an ongoing basis.
- Engagement with their work coach
- Struggling with budgeting and in rent arrears for 2 months or more:
 - support with applying for APA on a temporary basis to help claimants identified needing support to pay their rent and delivery of APA exit plan.
 - Support with updating personal journal
 - Support with applying for more frequent than monthly payments (difficulty managing their affairs)
 - Support where there is a split of an award between partners.
 - Applying for DHP to cover any shortfall

In addition, linking clients to relevant services if they are not already known and/or encouraging their engagement with relevant services i.e. mental health, ARCH, social services, CAB and Free debt advice services. Support will be provided for up-to 90 days, once case is closed - in more vulnerable cases HSW will continue to track progress. In less vulnerable cases these will need to be monitored and reviewed by RMOs /TMOs. Re-referrals will be expected on and off depending on individual needs.

Appendix 4 - UC performance & Activity measures

Risk Management	Q 2 18/19	Target
Total number of tenancies	9,722	N/A
No of tenants in receipt of UC	78	N/A
% of tenants in receipt of UC	0.80	N/A
Total number of tenancies in arrears	3,651	N/A
% of tenants in arrears	37.55	N/A
Number of tenancies in receipt of UC in arrears	65	N/A
% of UC tenants in arrears	83.33	N/A
Total cash value of current tenant arrears	£1,632,922	£1,600,000
Average arrears per tenant	£447.25	N/A
Cash value of UC current tenant arrears	£76,635	N/A
Average arrears per UC tenant	£1,179.00	N/A
Increase in cash value of arrears due to tenants moving to UC	£16,415.68	≤No of tenants in receipt of UC x £493
Average uplift in UC current tenant arrears	£210	≤4 weeks average rent [£493]
% of arrears due to UC	1.01	N/A
Total number of APAs in payment	56	N/A

Welfare Reform & Tenancy Support	Q 2 18/19	Target
Number in support	117	220
Number successfully sustained	229	660
Support terminated / incomplete	3	N/A
Re-referred within 6 months of closure	28	N/A
Worker to client ratio	1:23	1:30
Number of referrals by 'UC vulnerable & at	12	N/A

risk' category		
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Housing Charges	Q 2 18/19	Target
Number of UC verifications completed	27	N/A
% of UC verifications completed within 5 days	100%	100%
% of all tenants paying by DD	35.8	40%