



**Housing Directors' Network meeting notes
23rd June 2016**

Attendance

Organisation	Name
Cartrefi Cymunedol Gwynedd	Enid Roberts
Charter Housing	Stephen Evans
Community Housing Cymru	Hayley Macnamara
Cynon Taf CHG	Kevin Barry
Derwen Cymru - Pobl Group	Ian Bell
Hafod HA	Richard McQuillan
Melin Homes	Justin Wigmore
Merthyr Tydfil Housing Association	Timothy Macdermott
Merthyr Valleys Homes	Victoria Slade
Monmouthshire Housing	David Morris
NPT Homes	Claire Maimone
Pembrokeshire Housing	Elin Brock
Rhondda Housing Association	Luke Takeuchi
Tai Calon	Andrew Myatt
Tai Ceredigion Cyf	Neil Moffatt
Tai Gwalia	Nick Read
United Welsh	Lynn Morgan

Apologies

Aelwyd Housing Association	Martin Hughes
Bro Myrddin Housing Association	Mark Richards
Bron Afon	
Cardiff Community Housing Association	Matthew Thomas
Coastal Housing Group	Serena Jones
Derwen	Scott Sanders
Taff Housing	Mike Friel

Just Housing Group

Behavioural insights is about understanding how people really behave. The approach is widely used in UK and US policy...Obama used behavioural insights to increase votes and following.

David Cameron has set up The Behavioural Insights Team. They have trialled a number of approaches...



- 1) **Taxes.** When citizens were told that most people pay their tax on time, payment rates significantly increased. £210m of revenue brought forward in 2012/2013 alone. Subconsciously wanting to be 'part of' the majority/community. From rent arrears perspective, the same could be applied. This is an example of "Radical Incrementalism"- short term 'quick win' changes to make big changes
- 2) **Court Fines.** When people were late paying court fines they received a reminder text message and consequently payments went up by 28%. When the text included the person's name the return also increased. Personalising the message meant that the recipient knew that they weren't part of a mass mail out.
- 3) **Car Tax.** DVLA car tax reminders included a picture of the owners car on the letter. The personalisation increased tax payments.

Just Housing looked at how the labels and communication we use influences behaviour.

The "Nudging your way to reduced rent arrears" pilot project was undertaken with a mix of housing providers and used randomised controlled trials. They first looked at who was in arrears and identified common profiles to target particular customers. They then mapped when behavioural impact would be most effective in the tenants' journey.

They found that landlord behaviour leaves a mark on tenants- e.g. when a tenant knows of other tenants that owe more money...they blame landlord for letting the debt build up. "People know they can get away with it for a while. They choose not to pay"

The pilot used a control group to test the success of the project- this is something we rarely do in housing and the approach we should take when trying new services.

Results

Payments increased when they were contacted with envelopes using "fear" (we evicted XX last year) and "normifying" tactics (XX people like you pay their rent) tactics. The normifying tactic stems from the fact that we people to do what others around us are already doing, and they don't like to be considered as abnormal compared to the majority.

Sending an invoice rather than a standard arrears letter resulted in 12% more payments.

Adding a photograph of their housing officer on the arrears letter resulted in an average of £30 in additional payments per tenant.

71% that received a text thanking them for their payment further increased the amount that they paid to reduce their debt. Those that received a greeting card to thank them actually stopped paying! Saw a card as a waste of money(!) Texts are considered cheaper to tenants

Simplifying, personalising and ego boosting the content of rent arrears letters led to increase in engagement from those in arrears.



Allpay

51% of housing providers are looking to make further changes to their direct debit processes. The key changes they are undertaking include a move to 'any day' DDs and to increasing the number of DD dates offered (any date of the month is the idea).

Monmouthshire Housing estimate a saving of more than £30k in staff time, processing, printing, and postage savings from using Allpay.

Movement to smartphone- the value of payments collected via the Allpay app has grown by 65-75% this year compared to last.

App payments are typically in the region of £140 in the sector, compared to cash which can typically be half that amount.

Allpay are hoping to introduce welsh language into their apps this year if not next year.

Comment from directors: It would be interesting to know what social housing tenants think about DD. We assume that they don't trust DD but what do they really think? Allpay were happy to look into their findings on this and feedback.

Allpay are developing a 'Recurring card payment' card which can be used instead of DD to avoid bank charges. Allpay are looking to start releasing these in September- as an additional service for their clients.

Allpay are also looking at introducing variable direct debits to provide the option to change their payment amount easily if circumstances change.

Future discussions at Directors Network

Channel shift- Richmond Housing is a really good example of channel shift to digital engagement. They focussed on the user experience. **CHC will look to have along at One Big Housing Conf**

Customer focussed services- What services are we improving/enhancing to become more customer focussed? Examples include developing tenant service apps, repair services, etc. The next director's network meeting could perhaps compare and look at different repair models and managing expectations.

Learning from other sectors- Invite along other businesses/sectors to future networks? Perhaps businesses that are approaching their work differently to be more customer focussed whilst being commercially minded? The next network meeting could be held at a location where a business is thinking and doing differently. Rhondda HA are currently looking at how Cooke and Arkwright in Cardiff approach their property business. <http://www.coark.com/>