Monitoring the Impact of Universal Credit

OPINION RESEARCH SERVICES
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What we’ll cover today

- Who are we – some background
- Overview – what have we been commissioned to do
- Reporting the research & key findings so far
- Next steps ...
Housing Research Portfolio

STAR /STAR-T Surveys
Older people’s housing requirements
Customer Insight & Journey Mapping
Qualitative Research: Stakeholder Consultation
Strategic & Local Housing Market Assessments
Stock Condition Surveys including health and wellbeing
Housing Needs and Requirements Studies
Local and Sub-regional Housing Strategies
Intermediate Affordable Housing Analysis
Demand Modelling for All Types of Housing Schemes
Background and objectives

UK rollout from Feb 2015; ➔ Wales: Apr 2017 – July 2018
Initial focus on NEW claimants and least complex/most secure tenants
Migration of legacy claimants still to come: 2019 - 2021

Delivering on UC Survey evidenced increased debt among UC claimants

Ambition = measure the impact of Universal Credit on WELSH Housing Associations & tenants over the course of the roll-out

- Assess rent arrears and management costs across Welsh housing associations
- Benchmark best practice: costs and approaches to management
- Identify effective transferable learning
- Identify tenants views and experiences
- Identify recommended process improvements for HAs & government
Outcomes of the research

- Identify impact of full service
- Identify improvements
- Determine CHC’s lobbying asks
- Creating opportunities for transferable learning
- Case studies for lobbying & media
Programme of work

**Benchmarking Arrears Questionnaire**
- Draft questions to be approved
- Circulate to members in January and July 2018
- ORS to share aggregated results

**Case Studies**
- Two case studies completed with representatives from housing associations
- Following four taking place in March and Oct 2018

**Tenants’ Survey**
- Possible pan-Wales online
- Understand tenants’ experiences
Case Study Findings (So Far)
General views on UC

Principle of welfare reform & UC generally welcomed, but implementation is a huge issue

Preparations for UC

Creation of welfare teams & tenancy support roles

More staff allocated to UC specific tasks

Focus on ‘knowing our tenants’ and tenant profiling

Tenant engagement & relationship building with housing officers

Signposting to support

More work around employability, digital inclusion etc.

In-depth staff training

Main challenges & issues

Spreading the message to tenants

Ensuring ALL staff (including DWP etc.) are sufficiently trained

Suggestions that Government really don’t understand social housing

UC being rolled out without sufficient safeguarding in place
Tenants who initially transition to UC do have more arrears - but not by a huge margin, and ...

... many are clawing it back over time

An initial potential cash flow problem, but mitigated by the gradual roll out

Not a massive concern yet, but could be in the future as more tenants transition to UC...

...And the profile of those moving onto it changes
Minimising arrears

Pre-tenancy work
- More pre-tenancy engagement undertaken, & further upstream
- Creation of pre-tenancy team
- Individual assessments & bespoke action plans
- Introduced credit checking (to signpost & assign support)
- Educating & helping tenants on how to have a ‘successful’ tenancy

Rent collection
- One HA: paying rent in advance is *encouraged*, but not *forced* on tenants
- Other HA: does not currently collect rents in advance but looking into the possibility

Charging cycles & flexibility
- Rent is chargeable both weekly and monthly (tenants have the option)
- There is also flexibility with collection dates – it is arranged with the individual
Managing / reducing arrears

Administration

Working with tenants more closely

Creation of welfare teams

Use of Third Party Deduction & Managed Payment to Landlord schemes

Identifying / targeting tenants

IT systems have either been updated or are in progress - all geared around knowing tenants’ circumstances

Identifying tenants at risk of not paying rent, needing APA’s, is relatively easy

But rolling out Trusted Partnership Scheme and Landlord portal will help
The Advance Payment System is described as a ‘sticking plaster’. Although some claw it back relatively quickly, others struggle to pay it back – repayment should be based on individual circumstances. Re-payment frequencies will not prevent tenants from falling further and further into debt. The Current DWP system is not designed for this purpose and is ‘not working well’. Lack of awareness – job centres are not explaining clearly.
Tenants transitioning from old legacy benefits will struggle the most

The six week wait should be reduced

Needs to be a more ‘direct’ way of stakeholders interacting with DWP on tenants’ behalf

Trusted Partner Status needs to be implemented now, as well as access to landlord portal

DWP to offer more ongoing support e.g. digital inclusion for tenants
Discussion Points

1. Finalising UC Benchmarking Survey questions

2. Pan-Wales Tenants Survey
   - Online, 12 key questions
   - Likely take-up?
   - Best timing?
     - early to inform current position?
     - After July 2018 so all Housing Associations have some UC tenants?

3. Any questions?
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