

# Impact of Universal Credit

## Report 3

---

February 2017



# Headlines



Over four-fifths of respondents say that people on zero-hour contracts have difficulty meeting their housing costs

Almost all respondents were aware of tenants turning to food banks



More than two-fifths of respondents said that tenants had terminated their own tenancy as a direct result of UC

Almost one-third of organisations are now debiting rent accounts in arrears to co-ordinate with the UC system





**Over three-quarters of respondents pointed to issues of consistency of information from DWP**

---

**Half of organisations have introduced credit reference checks to prospective tenants as a result of UC implementation**



**83.7% of respondents have experienced delays in processing UC claims**

---

# Contents

1. Introduction
2. Impact on tenants
  - a. Delays
  - b. Meeting housing costs
  - c. Using food banks
  - d. Health and wellbeing
3. Impact on the organisation
  - a. Rent cycle and arrears
  - b. Evictions/Terminations
  - c. Staff time pressures/costs
  - d. Systems (change/costs)
4. DWP Experience
  - a. Communication issues
5. Conclusions
6. What next?

## 1. Introduction

Since March 2016, the Northern Housing Consortium (NHC) has been tracking how the roll out of Universal Credit (UC) has impacted upon housing providers and their tenants. This is the third report in a series of four outlining the latest set of results in the study. It coincides with the announcement that following compelling evidence of the problems in the rollout of UC in its recent follow ups, the Commons Select Committee has re-launched its inquiry and is now accepting written submissions. The Committee invites written submissions addressing one or more of the following points:

- How long are people waiting for their UC claim to be processed, and what impact is this having on them?
- How are claimants managing with being paid UC monthly in arrears?
- Has UC improved the accuracy of payments?
- Have claimants reported making a new claim for UC, and then found that the system has not registered their claim correctly?
- What impact is UC having on rent arrears, what effect is this having on landlords and claimants, and how could the situation be improved?
- Would certain groups benefit from greater payment process flexibility and, if so, what might the Government do to facilitate it?
- Does UC provide people in emergency temporary accommodation with the support they need, and how could this be improved?
- What impact is UC having on the income and costs of local authorities, housing associations, charities and other local organisations?
- How well is Universal Support working, and how could it be improved?
- What impact has the introduction of the full Universal Credit service had in areas where it has replaced the live service?

Many of the areas this study has sought evidence on and have been raised by NHC members as concerns are to be examined by the inquiry which is a welcome development.

There are now more than 700 job centres in the UK and due to the slower than planned roll-out, the Department for Works and Pensions (DWP) aims to complete the roll-out of the full digital service in the middle of 2018. Since May, the full (digital)

service has started to be introduced and now includes couples and families with more complex claims. In December 2016, there was a total of 434,104 Universal Credit claimants in Britain and 161,187 in the north of England. This latter figure is an increase of 2.3% on the previous month. The number of in employed claimants has increased in this time and the number of those claimants not in employment has fallen.

Since the lower Benefit Cap came into effect, whereas previously total household benefits were capped at £26,000 across the UK, now households will have their payments capped at £20,000 a year outside London. The previous £26,000 benefit cap had the biggest impact in London and the South East, where housing costs are higher. Under the new lower cap, parts of the North that were previously protected from the first benefit cap will be affected, particularly households with several children, according to research from the Chartered Institute of Housing. The Institute for Fiscal Studies says whereas under the old cap around 600 families were hit by the cap in the North East, this will shoot up to 4,000 families under the new cap.

A total of 49 member organisations participated in this third round of the study by returning a self-completion questionnaire designed to collect information on how the roll out of UC has impacted on their organisation as well as how they perceive their customers have been affected. As is the case with the NHC membership, the majority of responses came from the North West region (53.1%). Table 1 below shows the breakdown of respondents by region.

**Table 1:** Region of respondents

| Region                   | No. | %      |
|--------------------------|-----|--------|
| North East               | 9   | 18.4%  |
| North West               | 26  | 53.1%  |
| Yorkshire and the Humber | 9   | 18.4%  |
| Other Region             | 5   | 10.2%  |
| Total                    | 49  | 100.0% |

Similarly, the majority of respondents were from registered providers (65.3%), followed by ALMOs (18.4%) and local authorities (16.3%). Middle sized organisations made up more than half of the organisations taking part in the

research. More than one third owned between 5,000 and 10,000 dwellings. See Table 2 below.

**Table 2:** Stock size of respondents

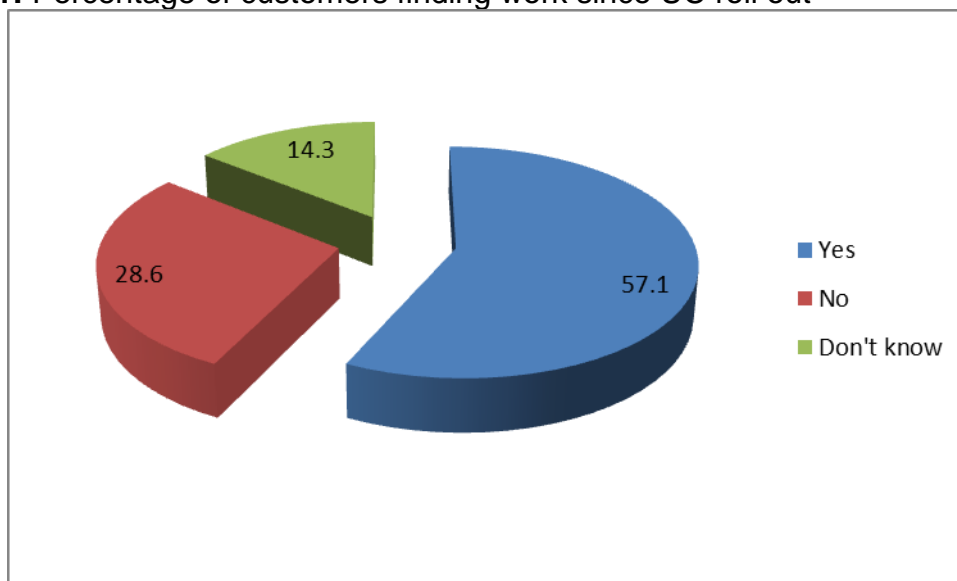
| <b>Stock size</b> | <b>No.</b> | <b>%</b> |
|-------------------|------------|----------|
| Less than 5,000   | 6          | 12.8%    |
| 5,000 - 10,000    | 16         | 34.0%    |
| 10,000 - 15,000   | 11         | 23.4%    |
| 15,000 - 20,000   | 5          | 10.6%    |
| More than 20,000  | 9          | 19.2%    |
| Total             | 49         | 100.0%   |



## 2. Impact on tenants

A core rationale for the introduction of Universal Credit was to make employment more attractive with the then Secretary of State for Work and Pensions saying that “the idea that work should always pay may seem obvious, but it is worth remembering that the system Universal Credit replaces frequently made benefits more attractive than work – and therefore trapped people in dependency, with a consequent tragic waste of human potential.”<sup>1</sup> The latest survey sought to collect evidence on whether this aim is being realised and found that more than half of respondents (57.1%) indicated that they were aware of customers who were previously unemployed that had found work since the roll out of UC in their area of operation. However, over one-quarter (28.6%) had not found that customers had found work.

**Figure 1:** Percentage of customers finding work since UC roll out



Unfortunately, there is no data available to show the type of work secured by these tenants. Monitoring of work patterns such as hours worked, whether permanent or temporary will be carried out in Round 4. The nine-month review, conducted by Resolution Foundation<sup>2</sup> concluded that due to design problems, for some groups, UC could make reducing the number of hours worked more attractive. It suggests for these groups the fall in their employment earnings would largely be cushioned by the

<sup>1</sup> Universal Credit at Work, DWP

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/483029/universal-credit-at-work-december-2015.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/483029/universal-credit-at-work-december-2015.pdf)

<sup>2</sup> Resolution Foundation <http://www.resolutionfoundation.org/app/uploads/2015/06/UC-FINAL-REPORT1.pdf>

taxpayer. However, our study has consistently shown that tenants on variable rates of pay such as zero hours and overtime are having difficulty keeping track of how much UC they are being paid. Almost nine-tenths of respondents (89.8%) said that their customers were facing such difficulties. This is an increase of 12% on the Round 2 results. The remaining 10.2% did not know if this cohort were being affected in this way. Furthermore, all of the respondents in the North East said that tenants working zero hours were having difficulty keeping track of pay, whilst this was the case in over four-fifths of North West respondents (88.5%) and 77.8% in Yorkshire and the Humber.

In the period from May 2016 to September 2018 the areas running the 'live' service will become 'digital' (full) service areas – at a rate of five Job Centre Plus per month. In our study, 14 organisations (28.6%) had both live and digital systems running in their areas and the rollout of the full digital service has not been without its problems. Notwithstanding this, our findings are that almost half (45.7%) feel that customers are managing the digital claim system, although over one-fifth (21.7%) feel they are not managing. It appears that claimants needed more support to apply online and manage their claim. Some reasons given for claimants struggling with the system include:

- Finding it difficult to keep track of their case
- Some people struggle as the process is not clear
- Internet access, no human interaction, no acknowledgment of emails
- Lack of IT skills

### *Delays*

The lengthy wait for a first benefit payment under UC comprises an initial period of seven days, during which claimants cannot make a claim, followed by an assessment period of one month. This 42-day wait is based on the idea that newly unemployed claimants will have a month's final salary to tide them over until the benefit arrives. However, not all employees are paid monthly and may not have money put aside for a rainy day. We asked our respondents if they felt the waiting period had a detrimental effect on their customers and a resounding 87.5% believed that it did with only four (8.3%) thinking that it didn't.

A Guardian investigation<sup>3</sup> found widespread evidence that thousands of tenants on UC were running up rent arrears and debts because they could not manage the minimum 42-day wait for a first payment. When asked what customers were doing to cope financially, many respondents said they were turning to food banks (16), borrowing from friends, family or loan sharks (14), asking for an advance UC payment (11) or simply getting into debt (5) or arrears (4).

“Some customers have asked for DHP to help get them over the issue of UC taking so long, there have been 2 instances of customers not being able to feed themselves or heat their properties while UC is awaiting to be assessed and paid and we have had an increase of food vouchers being requested.”  
(Research Participant)

The Commons Work and Pensions Committee says the introduction of UC has been "beset by delays and problems" and that evidence heard by the committee makes it clear "there remains much to be done before Universal Credit is working well for claimants and those organisations working with them".

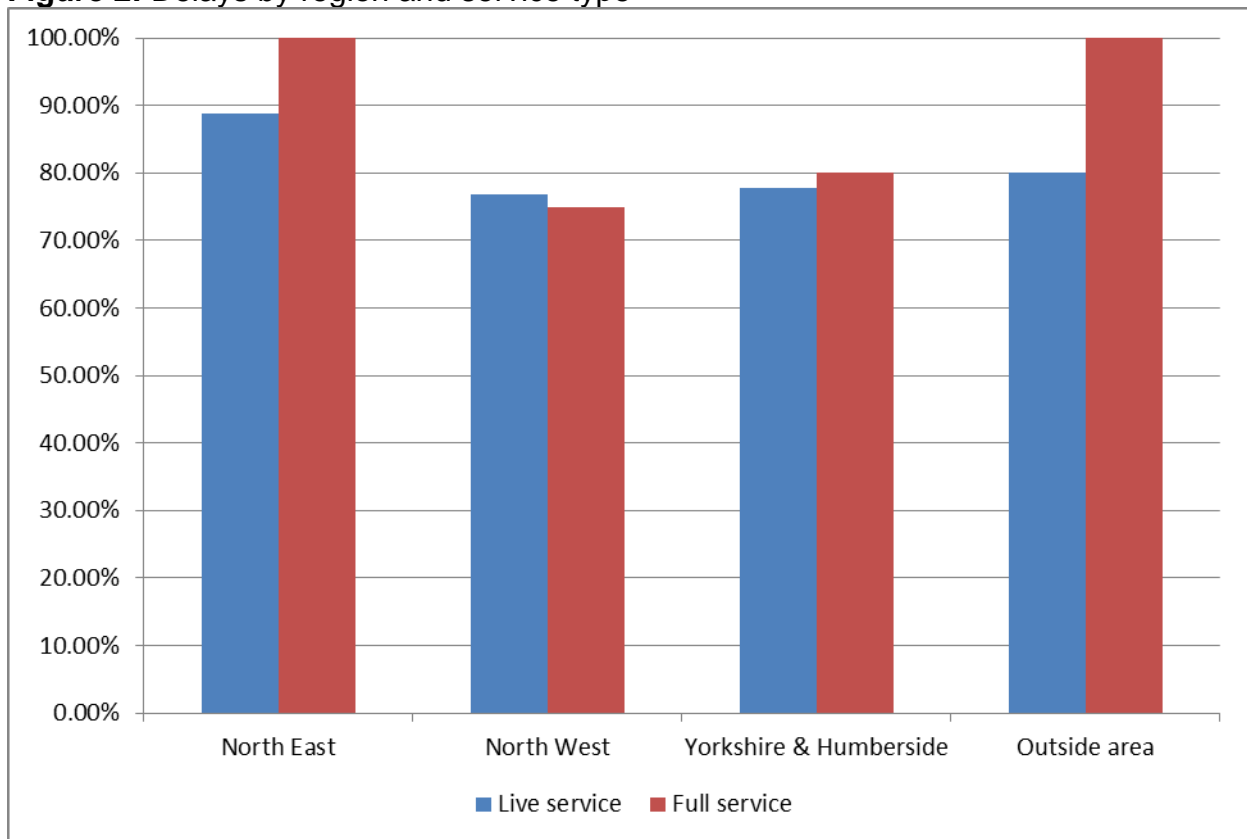
For the third survey in a row a high proportion of respondents reported that there had been delays in processing UC claims over the previous three month period (83.7%). However, this figure is a fall of 1.7% on Report 2 and an investigation of the live and full service breakdown shows that there may be an improvement in the perception of the live service. The first two rounds of the study were concerned solely with the live service and in Round 2, 84.9% of respondents pointed to delays; in this latest survey 79.6% of respondents pointed to delays in the live service while 81.3% pointed to delays in the full digital service, indicating that improvements in the processing times in the live service are driving the overall improved result.

Figure 2 below shows that for both service types the North West have lower perceptions of delays in processing times. Respondents from this region are also more likely to feel that there are delays in the full service whereas their counterparts from the other regions are more likely to say there are more delays in the full service.

---

<sup>3</sup> The Guardian <https://www.theguardian.com/society/2017/feb/07/universal-credit-flaws-pushing-claimants-towards-debt-and-eviction-warning?platform=hootsuite>

**Figure 2: Delays by region and service type**



### *Meeting housing costs*

These delays in processing claims continue to result in customers being short of money while claims are processed. All but two respondents (95.3%) said that delays were leading to people being short of money – an increase of 7.1% on Round 2.

There is little difference between the live and full services although there is a slightly higher proportion of those referring to the live service pointing to a lack of customers' resources.

Perhaps more telling are the proportions of respondents that say that customers are having difficulty meeting their housing costs. Some 91.3% of respondents referring to the live service say tenants are struggling with housing costs compared to 68.4% referring to the full service. It should be pointed out that 21.1% of full service respondents answered 'don't know' to this question. It is also interesting to note that while almost all North West respondents (95.8%) say that those on the live service have difficulty meeting their housing costs, only half of those referring to the full service feel the same (although one-third of full service respondents said they did not

know at this point). It may be too soon into the roll out of the full service for strong inferences to be made about the effects of the full service.

Former welfare minister Lord Freud admitted to MPs that design flaws meant a quarter of low-income tenants were in debt to their landlords as a result of the new system.

“The issue is how long does it take to work out what the right rent is to make those payments; there’s an element about getting the right data and the speed of processing and they need to and are working on speeding up, and with accuracy of data.” (Lord Freud).

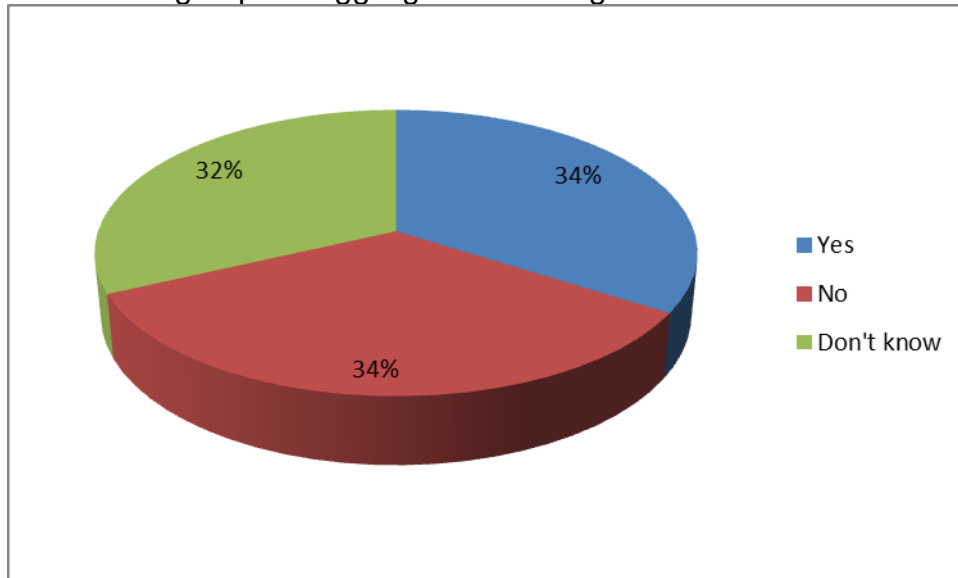
An interactive tool has been launched by Money Advice Service, working with the Department for Work and Pensions that offers personalised advice to UC claimants on making the most of their money. It offers help and advice on a range of money topics, including opening a bank account, keeping on top of bills and dealing with debt. “The Online Money Manager is an essential tool that will help people to plan and budget for this new way of receiving their money and paying their bills. They will be able to find personalised information about bank accounts, help with setting up direct payments to landlords, budgeting and saving money on regular bills, as well as where to go for additional support if they are struggling with financial commitments” (Caroline Rookes, Chief Executive for the Money Advice Service). NHC is holding a roundtable event on 3<sup>rd</sup> May 2017 with the Money Advice Service to explore partnership opportunities between our members and the Money Advice Service<sup>4</sup>.

In this most recent survey, we wanted to ascertain which groups of people, if any, were particularly struggling with housing costs as a consequence of UC. As Figure 3 below shows, opinion was split on whether this was the case with those believing that there were and weren’t particular groups struggling (both 34%).

---

<sup>4</sup> NHC website: <http://www.northern-consortium.org.uk/event/money-advice-service-online-money-manager-free-member-roundtable/>

**Figure 3:** Particular groups struggling with housing costs?



There is a stronger feeling in the North West that certain groups struggle (44%). In comparison, one-third from Yorkshire and the Humber and only 12.5% in the North East felt the same. We explored which cohorts respondents struggled in particular.

#### *Age*

Notwithstanding this, when examining the responses of those that think certain groups are affected, a clearer picture is revealed. Younger people, it is felt, are disproportionately affected by the benefit regime with all respondents to the question believing that under 25s are struggling with housing costs and half that those aged between 25 and 35 (respondents could select more than one option). Less than one-fifth believed that older people are struggling.

#### *Ethnicity*

The government have estimated 16% of UC claimants will be of BME backgrounds, which is higher than the percentage of the population as a whole and a report by the Race Equality Foundation<sup>5</sup> claims that members of black and minority ethnic communities are likely to be disproportionately impacted by UC.

A National Audit Office report into the Work Programme found contractors were to spend 54% less on harder to reach groups.

---

<sup>5</sup> Race Equality Foundation

[http://www.raceequalityfoundation.org.uk/sites/default/files/publications/downloads/Housing%20Briefing%2027%20\(1\).pdf](http://www.raceequalityfoundation.org.uk/sites/default/files/publications/downloads/Housing%20Briefing%2027%20(1).pdf)

The ethnic group most cited as struggling with housing costs was White (100%), followed by Asian (37.5%) and Black (25%). People from both Chinese and Mixed Race backgrounds (12.5%) were less likely to struggle with their housing costs, it was felt.

Notwithstanding our findings, the Government believes that barriers such as language may deter people from BAME backgrounds from claiming benefits but they suggest that the replacement of a number of benefits into a single benefit under UC will aid people who experience language barriers<sup>6</sup>. It is difficult to see, however how replacing a number of benefits into one will help people facing language barriers. Any claimant who does not meet the claimant commitment can be sanctioned. An understanding of the responsibilities within the commitment may be affected if a claimant experiences language barriers for example, and this can lead to them being sanctioned and/or result in receiving less money in their payment.

### *Household type*

Although Joseph Rowntree Foundation (JRF) warns that most claimants on UC are single males under 25 and therefore impact on families is not yet fully known, other sources believe that changes to UC for families with three or more children will disproportionately impact on minority ethnic communities who tend to have larger families. This can push more children into poverty.

Our research supports the JRF with all respondents to the question saying that single person households are struggling with housing costs. This is followed by single parent households (20%) and couples (13.3%). Couples with children (6.7%) were least likely to be struggling with housing costs it was said.

### *Employment status*

According to our research, people in employment are much more likely to struggle with housing costs than unemployed people, with 15 respondents pointing to this cohort as struggling compared to 5 who mentioned unemployed. In particular, there are a number of rules which apply to self-employed claimants of UC. Claimants will

---

<sup>6</sup> Welfare Reform Bill

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/220152/eia-universal-credit-wr2011.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/220152/eia-universal-credit-wr2011.pdf)

undergo a 'gateway interview' to determine whether they are 'gainfully' self-employed. They are obliged to report their earnings on a monthly basis. Monthly reporting of earnings in particular will increase the administrative burden upon self-employed claimants.

### *Disability*

DWP estimate, under the Equality Act 2010 definition, around 2.9 million of the potential UC households self-report at least one disabled person. However, only around 60% of these households are likely to be entitled to a disability benefit. For the latter group, the Government intended to create a simpler system. Rather than replicating every aspect of this provision the Government will recycle the savings from abolishing existing premiums to the most severely disabled people by providing all those in the support group an addition that is substantially higher than the current support component in Employment Support Allowance. However, only 6 respondents felt that disabled people struggle to meet housing costs.

We asked if there were other cohorts that were struggling financially. Some comments included people on zero hours/variable pay and under-occupants, while another stressed the difficulties faced by employed claimants.

Reasons offered for people struggling financially perhaps understandably because of the groups that UC has been rolled out to, often centred around younger single people; it would appear from evidence collected that due to a number of factors, this cohort finds it difficult manage its finances. A number of respondents point to the lower rate of benefit that under 25s receive as a contributory factor as well as the lead in period to the first payment of UC.

Others point to people working and also in receipt of UC particularly struggling. Increasingly it is working people that find themselves in arrears and often in court. It was said that working people are unsure of how much they will be paid if their hours of employment vary.

However, a very high number of respondents pointed to a lack of knowledge of the new system and also a lack of assistance from DWP to educate and aid claimants through the transition period. Some issues identified include:



- Having housing costs paid to the claimant rather direct to the landlord
- They don't understand the process, are not advised by DWP
- Lack of information
- Lack of IT skills
- Fluctuating payments making budgeting difficult

“Of the customers that I have been supporting I would say that single men who are employed are struggling the most. That is not to suggest that the fault lies in the UC system but these customers appear to find it most difficult to budget their wage and UC. There is a failure in them to appreciate the need to pay rent from wages and an over reliance on the UC payment. They appear to need to get a better understanding of how to anticipate a fluctuating UC award and fluctuating wage”. Research Participant.

In an attempt, members have suggested a range of people and agencies claimants have turned to for support. The most common form of support put forward by respondents was family members (77.3%), friends (18.2%) and neighbours (4.5%). Other sources of support put forward included:

- Local authorities
- Welfare Support
- CAB
- Voluntary sector support
- Loan companies

### *Using food banks*

A continuing theme in this project is that members have been aware of customers using food banks, pointing to growing inequality in British society. In Round 3, a significant majority of respondents (93.9%) said that they were aware of this phenomenon continuing. Although this latest figure is down by 2.3% on Round 2, this is still a worrying trend. While there are hundreds of small independent food banks operating in UK and should also be considered, the Trussell Trust run 519,342 in 2016, up from 506,369 in 2015.

### *Health and wellbeing*

Similarly, and what has been on an upward trend since Round 1 is the increase of health issues of tenants. Between Round 2 and Round 3, the proportion of respondents being aware of an increase in health issues of their customers grew by 13.4% to 54.6%. Respondents were asked for more information and the health issues mentioned included:

- Stress (15)
- Mental health (9)
- Anxiety (7)
- Depression (4)

# Case Study: St. Leger Homes

### **3. Impact on the organisation**

#### *Live and Full UC systems*

In May 2016 the full UC service for all claimant types began to rollout nationally and in July 2016 it was announced that this roll out will complete by September 2018. Fourteen of our respondents (28.6%) have both the 'live' and 'full' versions of the UC system operating their areas. Of these 66.7%, (eight respondents) expressed that they had experienced some issues in running both version simultaneously.

It is the different approaches to the two systems that cause the issues – for all those involved, from claimants to staff of both housing providers and the DWP, respondents suggest there is confusion about the new way of working for all parties involved. It was said that DWP staff are not always aware of the different procedures and rules of both versions of the regime and that obtaining information on payment dates and APA's is difficult.

There are particular issues for those housing providers that operate over a large geographical area and deal with a number of service centres. It was said that different service centres operate differently and that receiving information regarding the full service is especially difficult. It is important to know whether an area is a 'live' service area or 'digital' service area because the main UC rules and claiming processes differ between the two. In addition, some currently 'live' service areas will change to 'digital' service areas in the future and staff will need to understand the process for 'transferring' between the two systems. The roll-out will prove exceptionally challenging for those staff who support tenants through the new process.

Anecdotal evidence collected by NHC had suggested that some members had experienced trouble distinguishing which customers were on the full service and which were on the live service. The Round 3 survey investigated this issue. There were only twelve respondents to this question and three (25%) are having trouble making this distinction and 66.7% are not. However, the low number of respondents means it is too early into the roll out of the full service to collect meaningful evidence on the issue and this is something NHC will explore further in Round 4 and through wider member engagement activity.

Almost half of those organisations that have the full service operating in their areas (46.2%) feel that since roll out, their contact with the service centre has increased, 38.5% greatly increased, while 30.8% say that contact has remained about the same. Two respondents (15.4%) said that contact with the service centre had greatly decreased.

**Table 3:** Contact with service centre since full service roll out

|                    | No. | %      |
|--------------------|-----|--------|
| Greatly increased  | 5   | 38.5%  |
| Slightly increased | 1   | 7.7%   |
| About the same     | 4   | 30.8%  |
| Slightly decreased | 0   | 0.00%  |
| Greatly decreased  | 2   | 15.4%  |
| Not applicable     | 1   | 7.7%   |
| Total              | 13  | 100.0% |

It has also been brought to our attention by members that they are experiencing problems managing UC cases where there are joint tenancies involved. Although results of the survey were inconclusive with a similar proportion of respondents indicating that they were experiencing problems and that they were not. However, more qualitative information collected pointed to the issues such as:

- If there is a relationship breakdown
- Not getting information for both parties separately
- DWP do not understand housing and eligible rent and can't calculate correctly

An example was provided of a three-way tenancy with one Job Seekers Allowance claimant, a part-time worker and a UC claimant. This household fell into arrears and was eventually evicted. Although there are insufficient respondents to be confident about the results on this question, it is an area that NHC will continue to monitor.

### *Rent cycle*

It is difficult to ascertain whether the data above is skewed due to the 42-day waiting time and new claimants starting their tenancy in arrears. Increasingly due to this waiting time, providers are changing systems to debit customers' rent accounts in arrears to match UC being paid in arrears. In Round 3 almost one-third (30.4%) of participants debited rent accounts in arrears compared with only 18% in Round 2.

Of the 69.6% that debit accounts in advance, 84.2% said that UC being paid in arrears causes them difficulties. Most respondents cited difficulties around increasing arrears, being unable to ascertain the true level and arrears and tenants being unable to catch up. This often also leads to delayed payments; in the case of one member, their procedure means letters threatening court action are sent when rent arrears are two weeks behind.

Other organisations debit rent accounts weekly so UC being paid monthly will cause problems regardless of whether it is debited in arrears or advance. The Scottish Government plans to use its new social security powers to allow new UC applicants who live in areas where a digital claiming service has been set up the option of twice-monthly payments instead of the current monthly payment system. The Scottish Government previously announced it would allow social sector tenants to pay their rent directly to their landlords from their Universal Credit payment.

Increasing rent arrears is leading to housing providers making more stringent checks into the ability of new tenants to pay their rent. Rather than setting people up to fail, housing providers would rather be confident that prospective tenants are able to meet their housing costs. Half of respondents to the latest survey have introduced credit reference checks or carry out ability to pay checks prior to letting a property as a result of the implementation of UC. This is more than double the proportion of respondent organisations that had done so in Round 2 (24.5%).

Other aspects of Welfare Reform are also having an impact on providers. Some housing providers' business plans have had to change as a result of the lower benefit cap. Larger properties that house families who are likely to be hit by the cap are less viable now. Housing associations are having to be more wary of letting out properties to families who may be hit by the cap. Some are carrying out affordability assessments at the point of letting a property to check if households will be able to pay their rent.

### *Claimants and arrears*

Round 3 participants had a total of over 13,000 UC claimants. In August UC claimant rent arrears stood at £119,885. At the time of the survey being distributed (November), these arrears had risen by 21.1% to £145,132. This equates to an

average of almost £410 per claimant. In the three months between August and November, claimants' arrears has increased by an average of £94.81. On an organisational level, UC rent arrears per claimant can range from £65 to over £790.

In comparison, Housing Benefit arrears had increased by 9.9%, with a much higher level in August of £1.2m to a November level of £1.3m. However, taking into consideration the higher number of claimants the average HB rent arrears per claimant was £119.56.

The increasing levels of arrears outlined above continue to lead to applications for alternative payment arrangements (APAs). Between August and November the 39 responding organisations applied for a total of 1,142 APAs, an average of 29.3 per organisation, a similar level as in Round 2.

The average proportion of tenants who are in arrears and also on APAs across all respondent organisations is 35%. This figure ranges from 2% to 100% (of a small number of claimants) across all organisations.

### *Evictions/Terminations*

We reported in the second report that there had been a sharp decrease in the proportion of organisation saying that applications to court for evictions due to rent arrears had increased compared to the first round (-11.8%). However, between August and November 26.8% had seen an increase of application to court, up by 3.3% on the Round 2 results. A small proportion (7.3%) had seen a decrease, while 65.9% stated that applications to court had remained the same.

Despite the fall in applications to court in Round 2, the latest figures show that actual evictions continue to grow. More than one-quarter (27.3%) of respondents have seen an increase in evictions between August and November. This is a 7.7% increase on Round 2 and is the culmination of increases in each round since the beginning of the study. The region with the highest proportion of organisations seeing an increase in evictions was the North West (30.4%). This compares to 28.6% in Yorkshire and the Humber and 22.2% in the North East.

As well as the increase in evictions and for the second survey running, members have noted an increase in tenants terminating their tenancy as a direct result of UC.

In Round 3, over two-fifths (41.3%) of respondents said that they had lost tenants due to terminations. This is a 6.7% increase on Round 2, which was itself an increase on Round 1. As well as three respondents from outside the North (60%), housing providers in the North East (55.6%) are more likely to see tenants terminating their tenancies compared to 37.5% in Yorkshire and the Humber and 33.3% in the North West. Respondents were asked where those tenants that terminated their tenancy had moved to. Responses suggest the most common destination for former tenants is to move in with family or friends:

- Family (10)
- Friends (5)
- Private sector (2)

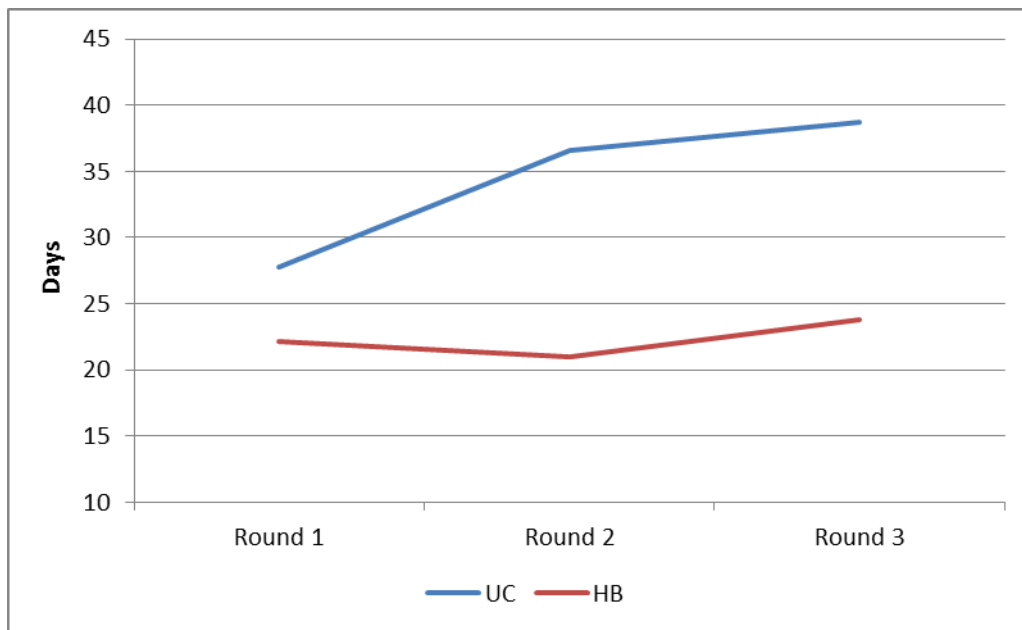
Perhaps as APAs continue to be applied for and used, so rent collection rates for UC claimants has shown slight improvement on Round 2 figures and is showing greater alignment with HB rent collection rates. In Round 2, the rent collection rate for UC cases is 93% compared with 98% for HB cases. In the latest round, UC collection rates stand at 93.3% compared to 98.7% for HB cases. It is noticeable that the North West has the greatest UC collection rate (94.9%), perhaps a positive effect of the regime being rolled out in the region earlier.

#### *Staff time pressures and costs*

The third round data offers a good opportunity to carry out trend analysis where appropriate. An area of investigation throughout the study so far has been the pressures on staff time brought about by the UC system and the time taken to process claims. As Figure 4 below shows, there has been an upward trend in the number of days it takes from an application for UC and payment being received by the claimant. The average UC processing time in Round 3 is 39 days, 16 days longer than the average 22.9 day HB processing time. The Round 3 figure is also the result of an upward trend from 27.8 days in Round 1.



**Figure 4:** Processing times for HB and UC



There may be signs that the longer the UC system is in place and staff at service centres become more accustomed to it, that processing times will fall. Processing times in the North West are much shorter than in other regions and average times. The average processing time in the North West of 35.5 days, is much lower than 43.5 days in the North East and 50.7 days in Yorkshire and the Humber.

However, the time housing provider staff spend on chasing payment from DWP in UC cases is significantly higher than in HB cases. Chasing payment for UC cases takes respondents to the survey on average 8.7 hours per week compared with 3.9 hours for HB cases.

Respondent organisations spend on average nine hours per week liaising with DWP on benefits cases. Breaking this down by benefit regime provides further evidence that the UC system is more time consuming for housing provider staff with an average of 5.9 hours per week taken up with this task. The spread on this indicator across the three northern regions is relatively even, ranging from 6 to 6.3 hours per week. The time spent by organisations outside the north was much lower, lowering the overall figure to 5.9 hours.

On top of time spent chasing payments and general liaison with DWP, there is general consensus that members' staff are spending more time supporting customers through UC cases than they do on HB cases. In the latest survey, we are

able to breakdown responses by the live service and the full service. In Round 2, 84.9% (live service) felt that staff were spending more time supporting UC customers than HB customers. The corresponding figure for Round 3 is slightly lower at 83.3%. There are similar proportions in the North East and North West (88.9% and 88% respectively) on this question but in Yorkshire and the Humber only 55.6% believe that more time is spent supporting those on the live service. Furthermore, the overall figure for those operating the full service is much lower at 55.6%. This time, only 44.4% of North West respondents agreed that people on the full service were being afforded more support than those on HB.

There was a similar full/live service split from organisations running a money advice team when asked if their team had seen an increase in enquiries directly attributable to UC between August and November. Over three-quarters of those operating the live service (76.9%) have experienced an increase in enquiries to money advice teams. In comparison 58.3% of organisations running the full service say that they have seen an increase in enquiries. Money advice teams in the North East (100% in both live and full services) and the North West (72.7% live service and 50% full service).

As well as the day-to-day work of money advice teams, for the third survey in a row, almost all respondents (91.5%) say that their organisation has stepped in to help customers with the cost of living or made referrals to other agencies. Interestingly, while all respondents from the North East and Yorkshire and the Humber said that they had assisted customers with the cost of living in some way but in comparison, only 88% from the North West had done so, perhaps pointing to greater familiarity of the system in the region. Assistance provided by housing organisations includes:

- Food banks/parcels
- Citizens Advice Bureaux referrals
- Help with Discretionary Housing Payments
- Signposting to a number of charities and agencies

All of the above evidence collected from members has led to members noticing a difference in the cost of managing UC cases compared to HB cases. In particular, 83.8% of live service participants but also 64.3% of full service participants have

noticed a difference. The increase in costs has been caused by a number of causes, many of which can be classified as pressures on staff time. Some causes cited include:

- More staff have been employed/more staff time spent on UC cases
- Costs in terms of more proactive contact with tenants
- More time consuming to obtain information from Service Centres
- More labour intensive supporting the tenant through the process
- Arrears increasing, court and eviction costs then void costs

## Case Study: Halton Housing Trust

The impacts of welfare reforms are forcing housing providers to be more proactive to offset those impacts. Isos Housing Group has modelled the impact the new benefit cap will have on its tenants. They initially identified 250 households who could be impacted by the benefit cap but after offering advice and helping some to find jobs this has reduced to 48<sup>7</sup>. The landlord managed to reduce the number of impacted residents by encouraging residents to take part in training to make them more employable, and to claim benefits such as Working Tax Credits, Disability Living Allowance and Personal Independence Payments if they are eligible, which then means they are exempt from the benefit cap.

Those families still hit by the cap after this process have been given budgeting and debt advice. Budgeting advice is also proving useful in helping tenants manage the housing cost element of UC. However, Isos says the majority of households who are affected by the cap are those with young children whose child benefit and child tax credit payments have taken them over the £20,000 cap level.

[Associations] have also started to look at their real role, which is to help their tenants, and some are really helping their tenants in their life barriers and you are beginning to see a real dramatic change. My sense is that they are really beginning to grip and run with this agenda," (Lord Freud).

### *Systems (change/costs)*

As in previous rounds and in particular with the backdrop of the roll out of the full system, a number of members have or will have to change internal systems such as the IT systems and rent systems (outlined above) which have been brought about by the introduction of UC. Over two-thirds (66.7%) of live service respondents and 58.3% of full service respondents pointed out that systems have or will need to change.

Similarly, the necessity to train staff in new ways of working and any new systems that have to be implemented are issues that have to be faced by 82.2% of organisations running the live system and 92% of those running the full service. The

---

<sup>7</sup> [http://www.insidehousing.co.uk/analysis-and-data/analysis/benefits-squeeze/7017542.article?utm\\_source=Housing60&utm\\_medium=email&utm\\_content=article\\_link&utm\\_campaign=H60](http://www.insidehousing.co.uk/analysis-and-data/analysis/benefits-squeeze/7017542.article?utm_source=Housing60&utm_medium=email&utm_content=article_link&utm_campaign=H60)

costs of providing training to staff is not fully understood at the moment. However, the average of those organisations that can provide this data is £54,400.

#### **4. DWP Experience**

Since the roll out of UC, members have raised concerns with NHC that they and their tenants are experiencing problems with regards to their communication with DWP.

##### *Communication issues*

The original concerns regarding communication are again raised in the research. Again, we asked if there were any communication issues between the DWP and either the housing provider or the tenant. After an increase in the proportion of respondents saying there were communication issues between Rounds 1 and 2, there was an overall fall in Round 3 to a still significant 84.2% citing communication issues. Looking at the live service only for comparison with earlier rounds, there 87.2% compared to 92.2% in Round 2 pointing to communication issues; the corresponding figure for the full service is 53.3%. Particular issues with communication mentioned by respondents include:

- UC service centre often will not give details of UC claim despite the landlord having implicit consent
- Very few UC179 and UC182 notifications received
- Lack of information sharing/data protection issues
- Long waiting times
- DWP not sharing data in line with protocols
- Full digital service in particular, very hard to get to speak to an operative and restriction on what they can advise
- Lack of understanding from DWP staff

“DWP call centre have told our staff that they are not able to discuss cases with them as we do not have a designated contact even though we have. Information regarding UC applications both requests for Landlord information and notification of applications have been inconsistent, problematic and difficult to manage. Although there have been improvements recently and we feel that we are being notified more often of new claims. Issues with Landlord information are most common when the applicant does what the DWP asks and provides the landlord details at their initial claim meeting. We have seen instances where we have been asked to provide the same details 5 and 6 times each time to be told it has not been received. But when eventually it is acknowledged it is received via exactly the same method as previous non successful attempts.” Research Participant

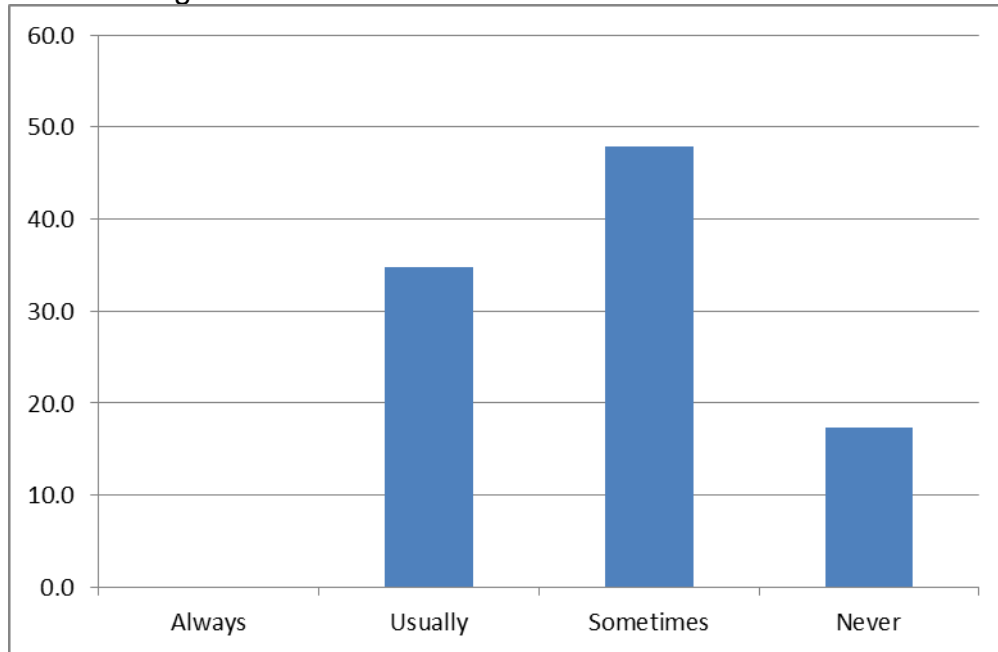
One respondent had noticed an increase of new DWP staff and it may be that there is still a need for staff to become more familiar with a system that housing staff now have considerable experience of.

Although there has been a decrease in the proportion saying they have problems reaching the right person when contacting DWP (-5.4%), this has merely reduced the proportion to a similar level as in Round 1 (63.8%). This was more likely to be an issue in the North East (77.8%) than in the North West (62.5%) or Yorkshire and the Humber (66.7%).

When failing to contact the correct person, a call back may be requested. The call back has an assigned timescale of three hours. Members were asked how often they received the call back within the three hours. No respondents said that this always happens, while just over one-third (34.8%) said this usually happens. The largest proportion, (47.8%) said that they sometime receive a call back in the assigned timescale and 17.4% said that this never happens.



**Figure 5:** Receiving call back within three hours



Over two-fifths (44.4%) in Yorkshire and the Humber were more likely to say that they never receive a call back within three hours, although the same proportion in the region said that this usually happens.

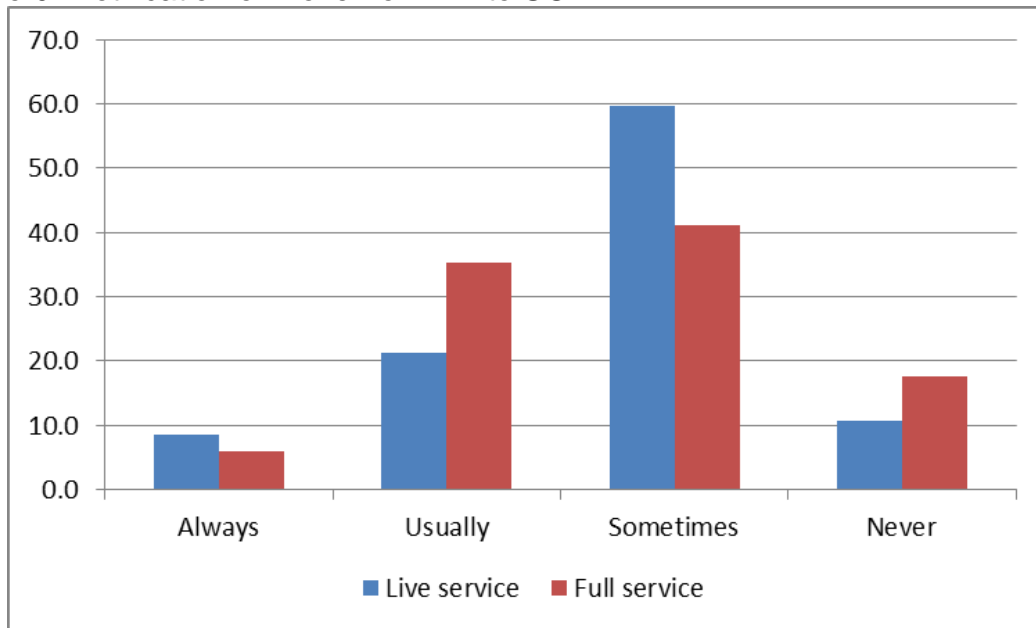
## Case Study: Riverside

It is vital to housing providers that they are informed when a tenant moves from HB to UC so that the necessary arrangements can be made on their systems. There has been improvements made in the proportions of respondents that say that they receive written notification from DWP of tenants' moves from HB to UC. Those that said they always or usually receive notification grew by a combined 5.9% and in particular those saying they always receive notification has more than doubled.

There is a mixed picture when breaking these figures down by live and full service as Figure 6 below shows. Although those running the full service are most likely to say

they usually receive notification, they are also most likely to say they never receive notification. Aggregating the 'always' and 'usually' responses, full service users have a combined 41.2% compared with only 29.8% for live service users, providing some hope that with the full digital service, will come a greater level of communication between DWP and housing providers.

**Figure 6:** Notification of move from HB to UC



Despite these more promising full service figures, a running theme during this study has been the inconsistency of information received from different DWP staff members. Between Rounds 1 and 2, the proportion of respondents feeling that there were consistency of information issues from different service centres grew by 6.5% to 81.5%. In this latest round of surveys, this figure fell by 5.3% but still over three-quarters of respondents (76.2%) felt that there are still different messages coming from different service centres. A further 11.9% said that there were not (up 10.1%) and a similar figure did not know. Despite improving ratings, respondents still brought up areas where there were issues to be addressed. These included:

- Contradictory and duplicated information from different service centres
- Very variable quality of advice and response rate
- Lack of information on rent received via APAs
- Information sharing varies
- Greater willingness from some service centres to share info and help with enquiries than others

There does not seem to be any consistency of information provided or requested (e.g. what is acceptable as Landlord information - even though we have agreed a template with our Local DWP Partnership Manager) and the formats are often different. Biggest problem is the identification of payments made for APA's.

We have found both anecdotally and via this survey that members find the Glasgow service most knowledgeable and helpful, whereas other service centres lack the same level of expertise.

The improvement in consistency of information from service centres has coincided with respondents' experience of service centres improving. Although a similar proportion of respondents that feel that their experience of service centres has improved also feel their experience has deteriorated (both 20.5%), there has been an increase in the improvement scores (+5.6%). Over half (59.1%) say that their experience has remained constant since UC roll out.

There were much better ratings of service centre experience from those on the longer-running live service – 22.9% said that their experience had improved that those on the full service (12.5%). Indeed, 43.8% of full service respondents said that their experience had deteriorated since roll out compared to only 18.8% of live service respondents.

## 5. Conclusions

The results of this penultimate survey show continued difficulties experienced by housing providers and their tenants alike. UC rules that require claimants to wait at least six weeks for a first benefit payment mean many are going without basic living essentials, forcing them to turn to food banks and loan sharks. Claimants seldom have a nest egg on which to live while they wait for their first payment and this makes landlords nervous about tenants being on the wrong foot in terms of arrears before the tenancy starts.

It is in nobody's interest to house people in a home where they cannot afford the rent and a growing number of housing providers are making checks into prospective tenants' ability to pay their rent prior to letting a home. The Scottish example of paying the housing element of UC direct to landlords and receiving more frequent payments offer obvious advantages to both landlords and tenants, and would be two important improvements to the DWP approach in the rest of the UK.

Whether a choice-based lettings system is "still applicable" in a sector where demand for social housing is growing and more families will not have a wide pick of properties because they may well be unaffordable under the welfare reforms.

Although DWP guidance has said UC will actually aid BME communities, the nature of online only applications disadvantages people who experience language barriers and lack IT skills; this digital exclusion not only hinders the application process but also enforces lack of knowledge of how the welfare systems work. For example, if claimants want to appeal the original decision they must request a review of the decision and there is a general lack of understanding of the new system.

The results of the latest survey shows some green shoots appearing in communication with and experiences of service centres. More and greater quality communication and information sharing is seen as essential for both DWP and housing providers to operate more efficiently, reduce staff time and so costs in managing UC cases.

## **6. What next?**

The fourth and final survey will be distributed to NHC members in March and the report disseminating the results will be published in late April. There will then be a final report which brings the results of all four surveys together to show how, over the last twelve months, members' perceptions of the UC system has changed and how they feel their tenants have been affected by the new regime.

Elsewhere NHC will continue to pick up issues through our member engagement work and will be working closely with DWP to resolve these issues. There is to be a follow up session with DWP when we will put members' concerns to the Department.

NHC are also to submit evidence to the re-launched Commons Select Committee inquiry into UC and would be keen to hear from members. Any members wishing to submit evidence to the Committee via the NHC should contact Satty Rai, Member Engagement Manager at [satty.rai@northern-consortium.org.uk](mailto:satty.rai@northern-consortium.org.uk).

### **Barry Turnbull**

Business Intelligence Officer

[barry.turnbull@northern-consortium.org.uk](mailto:barry.turnbull@northern-consortium.org.uk)

(0191) 5661030

## Appendix A: Data Tables

### Stock size

| Value Label      | Frequency | Percent |
|------------------|-----------|---------|
| Less than 5,000  | 6         | 12.8    |
| 5,000 - 10,000   | 16        | 34.0    |
| 10,000 - 15,000  | 11        | 23.4    |
| 15,000 - 20,000  | 5         | 10.6    |
| More than 20,000 | 9         | 19.2    |
| Total            | 49        | 100.0   |

### Type of organisation

| Value Label         | Frequency | Percent |
|---------------------|-----------|---------|
| ALMO                | 9         | 18.4    |
| Registered provider | 32        | 65.3    |
| Local authority     | 8         | 16.3    |
| Total               | 49        | 100.0   |

### Region

| Value Label            | Frequency | Percent |
|------------------------|-----------|---------|
| North East             | 9         | 18.4    |
| North West             | 26        | 53.1    |
| Yorkshire & Humberside | 9         | 18.4    |
| Other Region           | 5         | 10.2    |
| Total                  | 49        | 100.0   |

### Customers finding work?

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 28        | 57.1    |
| No          | 14        | 28.6    |
| Don't know  | 7         | 14.3    |
| Total       | 49        | 100.0   |

### Zero hours having difficulty tracking payments?

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 44        | 89.8    |
| No          | 0         | 0.0     |
| Don't know  | 5         | 10.2    |
| Total       | 49        | 100.0   |

**Customers managing digital system?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 21        | 45.7    |
| No          | 10        | 21.7    |
| Don't know  | 15        | 32.6    |
| Total       | 49        | 100.0   |

**42 day wait detrimental effect on customers?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 42        | 87.5    |
| No          | 4         | 8.3     |
| Don't know  | 2         | 4.2     |
| Total       | 49        | 100.0   |

**Delays in processing (live service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 39        | 79.6    |
| No          | 10        | 20.4    |
| Total       | 49        | 100.0   |

**Delays in processing (full service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 13        | 81.3    |
| No          | 3         | 18.8    |
| Total       | 49        | 100.0   |

**Delays resulted in customers being short of money (live service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 39        | 90.7    |
| No          | 4         | 9.3     |
| Total       | 49        | 100.0   |

**Delays resulted in customers being short of money (full service)**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 12        | 85.7    |
| No          | 2         | 14.3    |
| Total       | 49        | 100.0   |

**Difficulty meeting housing costs (live service)**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 42        | 91.3    |
| No          | 3         | 6.5     |
| Don't know  | 1         | 2.2     |
| Total       | 49        | 100.0   |



**Difficulty meeting housing costs (full service)**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 13        | 68.4    |
| No          | 2         | 10.5    |
| Don't know  | 4         | 21.1    |
| Total       | 49        | 100.0   |

**Aware of any groups struggling?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 16        | 34.0    |
| No          | 16        | 34.0    |
| Don't know  | 15        | 31.9    |
| Total       | 49        | 100.0   |

**Struggling by Age**

| Value Label | Under 25 | 25-35 | 35-45 | 45-55 | Above 55 |
|-------------|----------|-------|-------|-------|----------|
| Yes         | 16       | 8     | 3     | 3     | 30       |
| Total       | 53.3     | 26.7  | 10.0  | 10.0  | 100.0    |

**Struggling by Ethnicity**

| Value Label | White | Black | Asian | Chinese | Mixed |
|-------------|-------|-------|-------|---------|-------|
| Yes         | 8     | 2     | 3     | 1       | 14    |
| Total       | 57.1  | 14.3  | 21.4  | 7.1     | 100.0 |

**Struggling by Household Type**

| Value Label | Single | Couple | Single parent | Couple with child(ren) |
|-------------|--------|--------|---------------|------------------------|
| Yes         | 15     | 2      | 3             | 1                      |
| Total       | 71.4   | 9.5    | 14.3          | 4.8                    |

**Struggling by Employment status**

| Value Label | Employed | Unemployed | Total |
|-------------|----------|------------|-------|
| Yes         | 16       | 5          | 21    |
| Total       | 76.2     | 23.8       | 100.0 |

**Struggling by Disability**

| Value Label | Disabled | Not disabled | Total |
|-------------|----------|--------------|-------|
| Yes         | 6        | 2            | 8     |
| Total       | 75.0     | 25.0         | 100.0 |

**Customers need support from...**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Family      | 34        | 77.3    |
| Friends     | 8         | 18.2    |
| Neighbours  | 2         | 4.6     |
| Total       | 49        | 100.0   |

**Customers using food banks?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 46        | 93.9    |
| No          | 1         | 2.0     |
| Don't know  | 2         | 4.1     |
| Total       | 49        | 100.0   |

**Increase in health issues?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 24        | 54.5    |
| No          | 20        | 45.5    |
| Total       | 49        | 100.0   |

**Both versions of UC in operation?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 14        | 28.7    |
| No          | 35        | 71.4    |
| Total       | 49        | 100.0   |

**Issues running both versions running simultaneously?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 8         | 66.7    |
| No          | 4         | 33.3    |
| Total       | 49        | 100.0   |

**Trouble distinguishing which service customer is on?**

| Value Label    | Frequency | Percent |
|----------------|-----------|---------|
| Yes            | 3         | 25.0    |
| No             | 8         | 66.7    |
| Not applicable | 1         | 8.3     |
| Total          | 49        | 100.0   |

**If running full service, has contact with the service centre...**

| Value Label        | Frequency | Percent |
|--------------------|-----------|---------|
| Greatly increased  | 5         | 38.5    |
| Slightly increased | 1         | 7.7     |
| About the same     | 4         | 30.8    |
| Slightly decreased | 0         | 0.00    |
| Greatly decreased  | 2         | 15.4    |
| Not applicable     | 1         | 7.7     |
| Total              | 49        | 100.0   |

**Problems with joint tenancies?**

| Value Label    | Frequency | Percent |
|----------------|-----------|---------|
| Yes            | 8         | 17.39   |
| No             | 8         | 17.39   |
| Not applicable | 30        | 65.22   |
| Total          | 49        | 100     |

**Debit rent account in arrears or advance?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Advance     | 32        | 69.6    |
| Arrears     | 14        | 30.4    |
| Total       | 49        | 100.0   |

**If advance, does this cause difficulties?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 32        | 84.2    |
| No          | 6         | 15.8    |
| Total       | 49        | 100.0   |

**Has there been an increase in applications to court?**

| Value Label       | Frequency | Percent |
|-------------------|-----------|---------|
| Yes               | 11        | 26.8    |
| No                | 3         | 7.3     |
| Remained the same | 27        | 65.9    |
| Total             | 49        | 100.0   |

**Since August, number of evictions has..**

| Value Label       | Frequency | Percent |
|-------------------|-----------|---------|
| Increased         | 12        | 27.3    |
| Decreased         | 4         | 9.1     |
| Remained the same | 28        | 63.6    |
| Total             | 49        | 100.0   |

**Have customers terminated tenancies due to UC?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 19        | 41.3    |
| No          | 11        | 23.9    |
| Don't know  | 16        | 34.8    |
| Total       | 49        | 100.0   |

**Staff spending more time on UC cases (Live service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 40        | 83.3    |
| No          | 7         | 14.6    |
| Don't know  | 1         | 2.1     |
| Total       | 49        | 100.0   |

**Staff spending more time on UC cases (Full service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 10        | 55.6    |
| No          | 3         | 16.7    |
| Don't know  | 5         | 27.8    |
| Total       | 49        | 100.0   |

**Increase in enquiries to money team (Live service)**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 30        | 76.9    |
| No          | 9         | 23.1    |
| Total       | 49        | 100.0   |

**Increase in enquiries to money team (Full service)**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 7         | 58.3    |
| No          | 5         | 41.7    |
| Total       | 49        | 100.0   |

**Difference in UC and HB costs (Live service)**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 31        | 83.8    |
| No          | 6         | 16.2    |
| Total       | 49        | 100.0   |

**Difference in UC and HB costs (Full service)**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 9         | 64.3    |
| No          | 5         | 35.7    |
| Total       | 49        | 100.0   |

**Organisation stepped in to help with cost of living?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 43        | 91.5    |
| No          | 4         | 8.5     |
| Total       | 49        | 100.0   |

**IT systems need to change (Live service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 30        | 66.7    |
| No          | 9         | 20.0    |
| Don't know  | 6         | 13.3    |
| Total       | 49        | 100.0   |

**IT systems need to change (Full service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 14        | 58.3    |
| No          | 3         | 12.5    |
| Don't know  | 7         | 29.2    |
| Total       | 49        | 100.0   |

**Provide training to staff (Live service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 37        | 82.2    |
| No          | 8         | 17.8    |
| Total       | 49        | 100.0   |

**Provide training to staff (Full service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 23        | 92.0    |
| No          | 2         | 8.0     |
| Total       | 49        | 100.0   |

**Introduced credit reference checks?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 23        | 50.0    |
| No          | 23        | 50.0    |
| Total       | 49        | 100.0   |

**Communication issues with DWP (Live service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 41        | 87.2    |
| No          | 6         | 12.8    |
| Total       | 49        | 100.0   |

**Communication issues with DWP (Full service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 8         | 53.3    |
| No          | 7         | 46.7    |
| Total       | 49        | 100.0   |

**Problems reaching correct person?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 30        | 63.83   |
| No          | 17        | 36.17   |
| Total       | 49        | 100.0   |

**Receive call back within 3 hours?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Always      | 0         | 0.0     |
| Usually     | 16        | 34.8    |
| Sometimes   | 22        | 47.8    |
| Never       | 8         | 17.4    |
| Total       | 49        | 100.0   |

**Notification of move to UC (Live service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Always      | 4         | 8.5     |
| Usually     | 10        | 21.3    |
| Sometimes   | 28        | 59.6    |
| Never       | 5         | 10.6    |
| Total       | 49        | 100.0   |

**Notification of move to UC (Full service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Always      | 1         | 5.9     |
| Usually     | 6         | 35.3    |
| Sometimes   | 7         | 41.2    |
| Never       | 3         | 17.7    |
| Total       | 49        | 100.0   |

**Issues of consistency of info (Live service)**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 37        | 77.1    |
| No          | 6         | 12.5    |
| Don't know  | 5         | 10.4    |
| Total       | 49        | 100.0   |

**Issues of consistency of info (Full service)?**

| Value Label | Frequency | Percent |
|-------------|-----------|---------|
| Yes         | 11        | 57.9    |
| No          | 2         | 10.5    |
| Don't know  | 6         | 31.6    |
| Total       | 49        | 100.0   |

**Experience of Service Centre (Live service)?**

| Value Label     | Frequency | Percent |
|-----------------|-----------|---------|
| Improved        | 11        | 22.9    |
| Deteriorated    | 9         | 18.8    |
| Stayed the same | 28        | 58.3    |
| Total           | 49        | 100.0   |

**Experience of Service Centre (Full service)?**

| Value Label     | Frequency | Percent |
|-----------------|-----------|---------|
| Improved        | 2         | 12.5    |
| Deteriorated    | 7         | 43.8    |
| Stayed the same | 7         | 43.8    |
| Total           | 49        | 100.0   |

## Appendix B: Questionnaire

# Universal Credit Member Survey

Thank you for taking part in this survey. Please work your way through the questionnaire and complete as many questions as you can. When finished, click submit to send your responses to NHC.

With the Full Digital Service being implemented, this questionnaire will explore issues for this as well as the Live Service. If you have the Full Digital Service in your area please answer these questions where you can, otherwise please only give answers for the Live Service.

### About you

Please provide your details below. NHC will contact the people who complete this survey in a few months to see how the situation has changed. This is the third of a maximum of four surveys.

Q1 Your details (for office use only)

Name

Job Title

Organisation

Email address

---

---

---

---

### Impact on customers

Q2 A core aim of UC is to make work more attractive. Do you have any evidence of customers who were previously unemployed finding work since UC rollout in your area?

Yes .....

No.....

Don't know.....

Q3 Are customers on variable rates of pay (zero hours, on overtime etc) having difficulty keeping track of how much UC they are being paid?

Yes .....

No.....

Don't know.....

Q4 Are customers managing the digital claim systems involved in making a claim?

Yes .....

No.....

Don't know.....

If no, what issues are they facing? \_\_\_\_\_

Q5 Do you have any evidence of the 49 day wait for UC payment having a detrimental effect on customers?

Yes .....

No.....

Don't know.....



If yes, what are customers doing to cope financially? \_\_\_\_\_

Q6 Have there been delays in processing claims since August?

|                      |                          |                          |
|----------------------|--------------------------|--------------------------|
|                      | Yes                      | No                       |
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> |

Q7 If yes, has this resulted in customers being short of money while claims are being processed?

|                      |                          |                          |
|----------------------|--------------------------|--------------------------|
|                      | Yes                      | No                       |
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> |

Q8 If yes, are these customers having difficulty meeting their housing costs?

|                      |                          |                          |                          |
|----------------------|--------------------------|--------------------------|--------------------------|
|                      | Yes                      | No                       | Don't know               |
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Q9 Are there any particular customer groups (e.g. age, ethnicity, household type) that are struggling with housing costs as a result of UC?

Yes .....

No.....

Don't know.....

Q10 If yes, please indicate which groups below:

|                      |                          |                          |                          |                          |                          |
|----------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                      | Under 25                 | 25-35                    | 35-45                    | 45-55                    | Above 55                 |
| Age                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|                      | White                    | Black                    | Asian                    | Chinese                  | Mixed                    |
| Ethnicity            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|                      | Single                   | Couple                   | Single Parent            | Couple with Child(ren)   |                          |
| Household Type       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|                      | Employed                 |                          |                          | Unemployed               |                          |
| Employment           | <input type="checkbox"/> |                          |                          | <input type="checkbox"/> |                          |
|                      | Disabled                 |                          |                          | Not disabled             |                          |
| Disabled             | <input type="checkbox"/> |                          |                          | <input type="checkbox"/> |                          |
| Other (please state) | _____                    |                          |                          |                          |                          |

Q11 If certain groups are struggling, why do you think that is?  
\_\_\_\_\_

Q12 Are you aware of customers needing to turn to any of the following informal routes of support?

Family .....

Friends.....

Neighbours.....

Other, please specify \_\_\_\_\_

Q13 Are you aware of customers using food banks?  
Yes .....   
No.....   
Don't know.....

Q14 Are you aware of any increase in health issues of your customers?  
Yes .....   
No.....   
If yes, please give details \_\_\_\_\_

**Impact on your organisation**

Q15 Do you have both the Live and Full Digital versions of UC in operation in your area(s)?  
Yes .....   
No.....

Q16 If yes, are there any issues in running both versions simultaneously?  
Yes .....   
No.....   
If so, what issues are you \_\_\_\_\_  
facing?

Q17 If you are running the full digital service, have you had any trouble distinguishing which customers are on the full service from those on the live service?  
Yes .....   
No.....   
Not applicable.....   
If yes, what problems are \_\_\_\_\_  
you facing?

Q18 If you are running the full digital service, has your contact with the service centre:  
Greatly increased.....   
Slightly increase.....   
About the same.....   
Slightly decreased.....   
Greatly decreased.....   
Not applicable.....

Q19 Have you experienced problems managing cases where there are joint tenancies on the full digital service?  
Yes .....   
No.....   
Not applicable.....   
If yes, please give details \_\_\_\_\_

Q20 How many tenanted dwellings do you manage?  
\_\_\_\_\_

Q21 How many customers do you have claiming:  
Universal Credit \_\_\_\_\_  
Housing Benefit \_\_\_\_\_

- Q22 Does your organisation debit customers' rent accounts in advance or arrears?   
 Advance.....   
 Arrears.....
- Q23 If you debit rent accounts in advance, does UC being paid to claimants in arrears cause you difficulties?   
 Yes.....   
 No.....   
 If yes, please give details \_\_\_\_\_
- Q24 What was arrears level for Universal Credit cases at:  
 August 2016 \_\_\_\_\_  
 Current arrears \_\_\_\_\_
- Q25 What was arrears level for Housing Benefit cases at:  
 August 2016 \_\_\_\_\_  
 Current arrears \_\_\_\_\_
- Q26 What was the total arrears level cases at:  
 August 2016 \_\_\_\_\_  
 Current arrears \_\_\_\_\_
- Q27 What proportion of UC customers in arrears are on alternative payment arrangements (APAs)?  
 \_\_\_\_\_
- Q28 How many APAs have you applied for since August?  
 \_\_\_\_\_
- Q29 Since August, has the number of applications to court for evictions due to rent arrears?   
 Increased.....   
 Decreased.....   
 Remained the same.....
- Q30 Since August, has the number of evictions of UC claimants due to rent arrears:   
 Increased.....   
 Decreased.....   
 Remained the same.....
- Q31 Have any customers terminated their tenancy as a direct result of UC since August?   
 Yes.....   
 No.....   
 Don't know.....   
 If yes, where have these tenants gone? \_\_\_\_\_
- Q32 What is your rent collection rate for:  
 UC cases \_\_\_\_\_  
 HB cases \_\_\_\_\_

Q33 What (in working days) are the average benefit process times (application to payment) for:  
 Housing Benefit \_\_\_\_\_  
 Universal Credit \_\_\_\_\_  
 All (total) claims \_\_\_\_\_

Q34 How long, per week, do staff spend on chasing payment from DWP on average:  
 Housing Benefit case \_\_\_\_\_  
 Universal Credit case \_\_\_\_\_  
 All cases \_\_\_\_\_

Q35 How long, per week, do staff spend liaising with DWP on average:  
 Housing Benefit case \_\_\_\_\_  
 Universal Credit case \_\_\_\_\_  
 All cases \_\_\_\_\_

Q36 Are staff members spending more time supporting customers through UC cases than they do on HB cases?

|                      | Yes                      | No                       | Don't know               |
|----------------------|--------------------------|--------------------------|--------------------------|
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Q37 If you have a money advice team, has there been an increase in enquiries directly attributable to UC since August?

|                      | Yes                      | No                       |
|----------------------|--------------------------|--------------------------|
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> |

Q38 Have you noticed a difference in the cost of managing UC cases compared to HB cases?

|                      | Yes                      | No                       |
|----------------------|--------------------------|--------------------------|
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> |

If yes, please give details \_\_\_\_\_

Q39 Has your organisation stepped in to help customers with the cost of living or made referrals to other agencies?

Yes .....

No.....

If yes, please give details \_\_\_\_\_

Q40 Have or will your systems (e.g. IT/rent systems) need to be changed to incorporate changes brought about by UC?

|                      | Yes                      | No                       | Don't know               |
|----------------------|--------------------------|--------------------------|--------------------------|
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Q41 Have or will you have to provide training to staff on the new system?

|                      | Yes                      | No                       |
|----------------------|--------------------------|--------------------------|
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> |

If yes, what was the gross cost? \_\_\_\_\_

Q42 Have you introduced credit reference checks or do you carry out ability to pay rent checks prior to letting a property as a result of UC implementation?  
 Yes .....   
 No.....

**DWP Experience**

Q43 Have there been any communication issues between DWP and either your organisation or the customer?  

|                      |                          |                          |
|----------------------|--------------------------|--------------------------|
|                      | Yes                      | No                       |
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> |

 If so, please give details. \_\_\_\_\_

Q44 When contacting DWP, have you experienced any problems in reaching the correct person?  
 Yes .....   
 No.....

Q45 When contacting DWP and requesting a call back, how often do you receive the call back within the assigned three hours?  
 Always .....   
 Usually .....   
 Sometimes .....   
 Never .....

Q46 When a customer moves from Housing Benefit to Universal Credit, do you receive written notification from DWP:  

|                      |                          |                          |                          |                          |
|----------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                      | Always                   | Usually                  | Sometimes                | Never                    |
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Q47 Are there issues around the consistency of information you receive from different service centres?  

|                      |                          |                          |                          |
|----------------------|--------------------------|--------------------------|--------------------------|
|                      | Yes                      | No                       | Don't know               |
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

 If so, please provide details \_\_\_\_\_

Q48 Since UC was rolled out to your organisation, has your experience of the Service Centre improved, deteriorated or stayed the same?  

|                      |                          |                          |                          |
|----------------------|--------------------------|--------------------------|--------------------------|
|                      | Improved                 | Deteriorated             | Stayed the same          |
| Live service         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Full digital service | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Q49 Case studies provide extremely useful contextual information to share with DWP. If you would like to share a case study with use - whether regarding your organisation or your customers, please tick this box for NHC to contact you about this.

Please click submit to send your responses by the end of business, **Friday 16th December**. If you have any issues with this questionnaire, please contact Barry Turnbull on 0191 5661030.

