

## Raven Housing Trust save £73K in income collection

### Results & ROI

- A saving of 3508 working hours per annum equivalent to 2.66 FTE
- A saving of £73k cost of process hours per annum

### The client

Raven Housing Trust is a Housing Association which owns and manages more than 6000 homes across Surrey and Sussex. Raven had recently reviewed and improved a number of processes and had identified Lean as a methodology that would help them achieve improvements in service levels, efficiency and customer focus. It was agreed that the first Lean review would be Income Collection.

### The challenge

The Income Collection Team are responsible for collecting all tenant-related income including home ownership, garages and former tenant arrears. There was little standardisation in how arrears cases were prioritised. Due to a lack of data quality, time was spent re-reviewing cases, and the task of updating activities logs and referrals was inconsistent. There were different approaches in the team for recovering debt and some inconsistency in providing an up-to-date account balance for customers. In addition, manual processes in the Home Ownership Team meant an inordinate amount of time was spent in non-value adding activities at specific times of the year. The overall purpose of the review was:

- To design a new process to reduce waste and increase efficiency, improve customer service levels and increase process reliability
- To implement Lean Foundations in the form of Information Centres to engage staff in performance measurement and continuous improvement

### The approach

The review had four phases:

**Diagnostic** – Overly-complex processes, limited access to real-time data, targets driving the wrong behaviours and a reliance on workarounds were among the issues found income

**Redesign** – Improvements included holistic assessment of the tenant, from sign-up through to notice, and a fast track process for taking quicker action for those refusing to pay

**Information Centres** – appropriate measures were set up enabling effective real-time decision making and problem solving, with the team meeting daily to review progress

**Implementation** – a fully-automated arrears process for the Home Ownership team is in place, the ability to tie in garage rental with the customer's management of rent and all work logged into an arrears module on a single system is complete

### The benefits

In addition to the headline project ROI derived from a standardised output-focused process, other benefits include enabling a move to a preventative focus on income collection rather than just arrears, clarity for customers and staff on how much rent is owed, a reduction in time spent by the Income Team in monitoring without outputs, improved quality of data in the system and clarity on measures needed to deliver KPIs. Also, the Home Ownership Team have a fully automated system which has substantially reduced time in the process and, with the outsourced billing, has increased the confidence in the accuracy of the data and the audit trail.

“ Ad Esse's approach has enabled us to step back and look at our processes providing just the right balance between support and challenge. The Information Centres have had an immediate effect on focusing teams on performance.”

Mark Ansell, Project Lead