Jocelle Lovell – Financial Inclusion Champion and Manager
Wales Co-operative Centre
THFI Recap……..

‘Work in collaboration with LA’s, Credit Unions, private landlords & their tenants to sustain tenancies, through better money management and prepare people for changes to WR. In particular promoting the use of the CU rent account as an alternative to direct payment to landlords’.

The project ran between 2011-2014
THFI Recommendations……..

1. The private rented sector should be recognised as a strategic housing partner alongside local authorities and social landlords.

2. Pre tenancy work. Private landlords should consider building on the best practice developed in the social housing sector, to ensure tenants are aware of the true running costs of the property before signing the tenancy agreement.

3. Local authorities should continue to develop their relationship with their local credit union, and where appropriate, consider the use of credit union rent accounts as a preventative tool.

4. Landlords and local authorities need to develop sustainable approaches to accessing services and advice to resolve rent and tenancy issues, whilst local communication channels are still in place with Housing Benefit teams.
What did we learn?

A one size fits all approach is less effective than a person centred approach....

• UC first announced housing sector (social & private) went into melt down and Credit Unions were being promoted as a solution.

• Barrier to moving this forward; **cost.** £5 per HB/LHA payment (13 payments x 2000 tenants = £130K)

• Hindsight and hopefully now where the housing sector is thinking, not every tenant needs a CURA.
What we need........

• A range of products and services:
  
  • CURA
  
  • Basic bank account
  
  • Fully functional account

• Our aim should be to move people appropriately along the scale as they improve their financial capability.

• This may require additional upfront resources but overtime would be more sustainable as people become more capable.
• We used the findings from THFI to secure two years funding from Comic Relief. This has allowed us to develop our work in the PRS and expand our delivery area to include Anglesey.
• The project will run between Jan 2015 – December 2016.
Your Money Your Home

“We have a window of opportunity” to help tackle financial exclusion of PRS tenants in Wales, and to prepare people for the introduction of Universal Credit.
How will we deliver the project?

• Carrying out home visits, drop in sessions, and telephone appointments for tenants in the private rented sector who are at risk of homelessness due to financial vulnerability. We will complete a detailed questionnaire that will help us work with the tenant to identify next steps required to sustain their tenancy. Where appropriate, tenants will be referred to specialist advice and support services.

• Developing online tools to assist tenants and landlords, utilising the Money Made Clear Wales website. Digitally excluded tenants will be provided with local information on free access points and training.
• By delivering financial awareness training to landlords, local authority and third sector staff.

• By facilitating focus groups with each group of stakeholders i.e…. tenants

• By influencing future policy by way of responding to consultation’s relating to housing, tackling poverty and financial inclusion.

• By sharing the project’s findings with stakeholders across Wales and the UK.
Findings from the first 6 months of delivery

Attempted to contact over 400 tenants of which we have supported 84 to date

Awareness of benefit changes:

- 27% of tenants said that they were aware that benefits were changing

- 86% of tenants said that they had no or very little awareness of what the effect of those changes would be on their own benefits.
Managing money:

- 80% of tenants said that they had no money left after paying their bills and a further 6% were unsure.

- 38% had borrowed money in the last 12 months and 31% of that borrowing was from a doorstep lender.

- 67% of tenants had experienced difficulty in paying bills and meeting other household costs over the last 12 months as follows:
  - Electricity and/or gas | 71%
  - Rent | 52%
  - Repaying credit | 32%
  - Food | 27%
To date, 55% of tenants have their rent paid direct to the landlord by the local authority. After the introduction of Universal Credit tenants said they would pay their rent as follows:

- Direct debit: 61%
- Cash: 23%
- Credit union: 11%
- Online transfer: 4%
- Unsure: 1%
• 14% of tenants had rent arrears but 50% of those were not making any repayments of those arrears. 2% of tenants had been served with a notice seeking repossession.

• 51% of tenants are paying a rent shortfall. Only 14% of tenants have applied for a discretionary housing payment.

• When asked on a scale of 1 to 10, how well they thought they would manage the changes to monthly benefit payments only 16% of tenants scored themselves highly (between 8 and 10). Budgeting was cited as the biggest concern about the changes.
Health & Wellbeing

YMYH ask tenants if they have any disabilities or long-term illnesses. 94% of tenants have said yes. Of those who were happy to disclose what conditions/disability they have:

- **29%** Depression
- **23%** Conditions or injury affecting mobility (including back problems, fibromyalgia and arthritic conditions)
- **15%** Heart problems, recovering from stroke or respiratory conditions including asthma and emphysema
- **5%** Schizophrenia
- **4%** Suffering from or recovering from cancer
Digital Inclusion

Universal Credit claimants will be expected to apply online and manage their claims online.

- 73% of tenants said they were able to get online
- 66% said they got online using either a home computer, laptop or tablet device.
- 27% used their mobile to get online.
- 16% go to friends and relatives.
- 8% made use of library facilities.
- Only 18% of tenants said they used online banking. Tenants are made aware of and were possible shown the Money Made Clear Wales (www.moneymadeclearwales.org) website.
When asked on a scale of 1 to 10, how confident they feel about getting online and using the internet for budgeting tools and finance, tenants described themselves as:

- Not at all confident (1-3): 39%
- Some confidence (4-7): 36%
- Very confident (8-10): 25%
Tenants were also asked if they would be able to complete an online job or benefit application form. While 49% said they thought they would be able to do this, 33% said they would not and a further 18% were unsure.

Level of referrals for additional support

- 90% of tenants have agreed that YMYH can re-contact them in 6 months time to reassess their needs and check progress.
- 57% of tenants have been referred to other services for further support
Referrals were made to NEST, Welsh Water Assist, British Gas Trust, Environmental Health and for Warm Home Discounts, Housing Options and the bond scheme.
Emerging themes........

• Very little awareness of how UC will affect them
• Biggest concern is moving from fortnightly to monthly payments
• Tenants not accessing support
• Tenants not confident getting online & using budgeting tools, completing online applications etc....
• Tenants had no or little savings
• Landlords often don’t know what help is available for them or their tenants.
• Landlords lack of detailed understanding on the mechanics of UC (5wks no money)
• Landlords want to engage and be consulted with.
Finding it hard to manage your money? The Money Advice Service provides useful online tools and resources to make the most of what you have.

A website that helps you manage your money better.

This website: Is free to use; Is easy to use; Is not selling you anything.
Further Information

- Jocelle.lovell@walescooperative.org

- Find us on twitter by following our Monitoring & Evaluation Coordinator @ClaireWalesCoOp using the hashtag #ymyh