

Case study 141

What Works in Tackling Poverty

FISH Argyll – Financial Inclusion Services in Housing

What are case studies?

Case studies share what people and organisations have learned from delivering or developing a project or programme. They can help you to see what has worked on the ground and can give you ideas about how to tackle problems. They can also signpost you to people and organisations you may want to talk to.

FISH Argyll – Financial Inclusion Services in Housing

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In a nutshell

The FISH Argyll partnership has been delivering financial inclusion projects in Argyll and Bute since 2007. The partnership is made up of locally based housing associations serving over 7,000 households; Argyll Community Housing Association, West Highland & Dunbritton Housing Associations and Fyne Homes.

With the second largest geographic spread in Scotland and many residents living in remote, island or rural settlements, delivering and accessing financial services is problematic. To compound matters is the high cost of living in rural Scottish communities. Recognising this and the fact that social housing tenants are disproportionately affected by financial exclusion, the FISH Argyll partnership formed to tackle three key, often interlinked drivers of poverty amongst their residents:

- Unmanageable debts
- Lack of access to affordable credit
- Low benefit take-up.



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The Issues

The vulnerability of social housing tenants

It is estimated that as many as 84% of the financially excluded may be social housing tenants¹ and that:²

- 16% have no bank account (twice as high a proportion as the rest of the population)
- 81% have no savings account
- 91% have no insurance cover
- It is estimated that around 3 million people borrow at 164% APR and more from the home credit industry – 70% of these are social renters.

Financial inclusion in rural areas

Financial exclusion is less visible in rural areas compared with urban areas. Concentrations of poverty in rural Scotland, i.e. in Argyll and Bute, are not as intense as in some of the larger cities. With only 10 data zones within the 15% most deprived, the SIMD distribution often overshadows the experiences of those living in rural areas that are dependent on benefits or on low incomes from part time and seasonal employment. Rural specific dimensions of poverty mean the infrastructure required to promote financial inclusion is often weak or missing:

- Poor public transport
- Long distance travelling for some people to access mainstream services
- Widely dispersed client base
- Poor economies of scale resulting in higher cost services that are more challenging to manage.

Minimum Income Requirements

Recently published research from the Joseph Rowntree Foundation has found that; “People in rural areas need to spend 10-20% more on everyday requirements than those in urban areas. The more remote the area, the greater the additional costs.”³

The approach to the issues

Why are housing associations in a strong position to get involved in financial inclusion?

- H.A's are trusted intermediaries in direct contact with financially excluded individuals
- Staff are grassroots based and have regular / sustained contact with tenants and local communities
- Staff have access to rent account information which can offer an early warning of financial difficulties
- Housing associations are often the best resourced agencies in deprived communities – stable organisationally and well regulated.

More than Housing

Wider Role is a Scottish Government grant fund that supports Registered Social Landlords to work with their local communities in a way that goes *beyond bricks and mortar* and their principle day to day role as landlords. A collaborative wider role strategy - More than Housing - between all four housing associations was approved in 2007 forming the FISH partnership to focus on financial inclusion in social housing.

The social and business case

- Increase / improve access to mainstream financial advice and services
- Increase benefit take up / income maximisation
- Decrease dependency on expensive home credit
- Improve tenancy sustainability
- Improve health and wellbeing
- Working with tenants at crisis point is more time consuming and costly than investing in early intervention. As well as minimising rent arrears, costs associated with eviction, tenancy abandonment and voids are reduced.

¹ Joseph Rowntree Foundation; Financial Inclusion in the UK : Review of Policy and Practice, July 2008

² National Housing Federation; A Guide to Financial Capability for Social Housing Tenants, 2008

³ Joseph Rowntree Foundation; A Minimum Income Standard for Rural Areas, November 2010



FISH Argyll financial inclusion project

The FISH partnership commissioned initial independent research in 2007 to map existing financial advice and services in Argyll and Bute. The findings revealed that these were stretched thinly and that in many cases services were only accessed by people who knew about their existence and able to access it based in main towns. In other words there was no outreach service trying to engage with the harder to reach. This is the *gap* the partnership has sought to fill.

FISH Money Money Money Handbook

As a starting point, further research conducted in conjunction with tenants and local agencies has led to the development of a financial resource / self-help guide as well as contact information for every financial advice, service, support agency in Argyll and Bute. The guide was distributed to over 7000 existing tenants in March 2009 and to all new tenants since with an additional 3000 copies to local financial advice services, community organisations and support groups.

Young Persons Money Handbook

Extending research to young people was essential to establishing relevant content for a financial guide targeting 15-18 year olds. The resource which includes information on; support whilst in education, training or apprenticeships, saving for the future, managing money conflicts with parents, managing a first home and smart budgeting has been rolled out to all secondary schools in the Argyll and Bute area.

Promotion of Credit Unions

To help promote and encourage use of local credit unions (CU) a service level agreement has been developed which enables all partner housing associations to accept tenant CU payments. For smaller CU's that operate only a few hours a week or are managed on a voluntary basis this is a valuable enhancement to their service availability and accessibility.

Welfare Rights Project

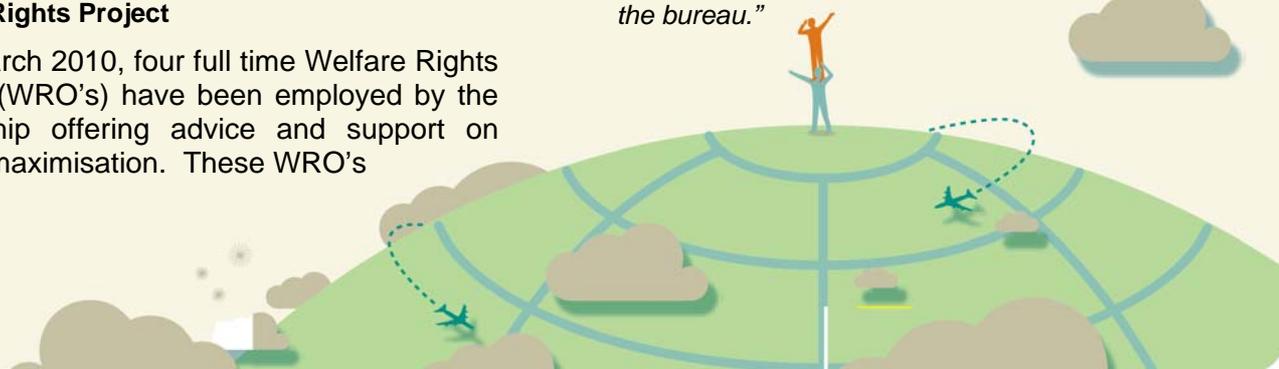
From March 2010, four full time Welfare Rights Officers (WRO's) have been employed by the partnership offering advice and support on income maximisation. These WRO's

represent tenants at appeals and tribunal hearings and work closely with local authority WRO's, housing association staff and HEAT Argyll (another collaborative housing association project) to target tenants in need:

- Initial engagement with tenants over the age of 65 to ensure vulnerable older people were prioritised
- Programme of targeting has taken place with tenants on islands and remote communities and with the travelling community
- Tenant profiling has revealed 40% of tenants engaged are in employment with the remaining 60% having caring responsibilities or chronic illness – this has helped shape engagement strategies
- Job centre referrals, community support and health engagement, active presence at community events, presentations to tenants and residents associations
- All new tenants are now offered a benefit health check
- Cross referral between FISH and HEAT Argyll ensures tenants have access to advice and support on all aspects of fuel poverty.

Evidence of Success

- The welfare rights project has supported £1,024,978 in financial gain for tenants since project initiation
- 812 tenants have been engaged in relation to welfare rights
- At project initiation only 10% of spot and refers from front line staff were for benefits other than housing – this has now increased to 60% due to front line staff training
- Argyll and Bute Citizens Advice Bureau actively use the 'Money Money Money' handbook saying; *"It's a really useful resource for clients, packed with information and tips and a handy tool for advisors within the bureau."*



- Some of the schools who received the young persons handbook are now rolling these out as part of their maths and PSE (personal social education) curriculum.

Lesson Learnt

One of the enduring features of all of the projects under the FISH Argyll banner is value for money. Working in partnership enables the tenants of all locally based housing associations to benefit and by economies of scale represents much better value for money than if they had tackled these projects individually. Wherever possible collaborative partnership approaches with other agencies that can bring specialist skills to the projects only adds more value.

One great thing

The partnership decided to appoint a senior Welfare Rights Officer with the necessary experience to train and support other WRO's. The aim was to recruit a further three officers internally from an existing pool of staff who could be trained in welfare rights. The rationale behind this was multifold and has been a positive and highly successful development for the project in terms of legacy and added value:

- The recruitment of staff with local knowledge and working relationships with agency structures has been essential in providing a robust foundation to best serve local people
- In terms of legacy, staff will be fully trained WRO's at the end of the project with particular expertise in housing benefit legislation
- The back filling of jobs has created seconded posts, allowing other members of staff to develop new skills and experience in working with local people
- In terms of sustainability, the welfare rights team has devised a training programme for front line staff to enable them to better spot and refer tenants to the project. This includes awareness raising not just specific to housing benefit but for wider welfare support and how different benefits link together. The return for investment on this aspect of the project has been an unexpected but welcomed contribution to the overall legacy.

Why would this approach work well elsewhere in Scotland?

At the heart of housing associations' work is a commitment to improve the lives of residents and communities. It makes perfect sense therefore for them to be involved in financial inclusion as they are frontline intermediaries able to identify and reach vulnerable people. All of the projects under the FISH banner could be modelled and replicated elsewhere in Scotland, particularly suited to rural settings. The infrastructure is there ready and waiting to meet the challenge.

What next?

The partnership are excited by the excellent results the Welfare Rights Project has achieved and are in discussions regarding match funding for a continuation project with various funding bodies. To inform the future direction for this project, a full and independent stakeholder survey is in the pipeline.

A pilot project to deliver debt advice and to encourage tenants to participate in a short money management course is being planned for 2011/12. The results of this pilot will hopefully inform another successful collaborative project.

Scottish Centre for Regeneration

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- regenerating communities and tackling poverty
- developing more successful town centres and local high streets
- creating and managing mixed and sustainable communities
- making housing more energy efficient
- managing housing more efficiently and effectively

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- coordinating learning networks which bring people together to identify the challenges they face and to support them to tackle these through events, networking and capacity building programmes
- identifying and sharing innovation and practice through publishing documents detailing examples of projects and programmes and highlighting lessons learned
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