Finance special

Putting the U back into USP

Writing a new chapter
New circumstances have led The Money House to update its practical help for a generation on the pathway to social housing

The Money House is helping young people understand the key to a healthy financial future, says **Declan Wilkes**

In sitting down to write this I found myself back on that video call when we shut it all down. Young people were not going to move into their first home and many would be stuck in scary situations, not knowing when, if ever, they would start living independently.

It was especially hard for our trainers who had young people on that path, who now had to return to sheltered accommodation, foster homes or sofa surf as part of the hidden homeless. There was a palpable sense of fear sweeping through all homelessness agencies.

The Money House (TMH), as a prevention scheme, was no different. It is a mandatory financial education service for 16 to 25-year-olds on the pathway to social housing in seven London councils – specifically targeting care leavers and vulnerable young adults. Over a week, trained experts in four real flats across London teach participants everything they need to know to keep their tenancy. It focuses on survival money management skills, understanding systems, planning for the future and reducing financial exclusion. Using games and activities that mine youth culture, it brings money to life, clears up misconceptions and confronts bad habits and worries like debt.

A third of care leavers lose their first home every year, and while the threat of imminent eviction was gone there was no certainty as to what would happen next. TMH has shared many universal pandemic themes – "fast forwarding the future", "new normal" and inevitably the "next normal" – but in many ways we were ahead of the curve. Existing plans to go virtual were dusted off that March and within two weeks we had digitised our content. By April we were piloting with young people.

Those coming to TMH are referred by a range of stakeholders, including homelessness and young adult services within councils, housing associations and outfits such as De Paul and Shelter. It took time for all agents to converge but at the start of May we were live on Zoom, accreditations were being awarded and the pathway for young people to access housing was clear again. The heart of the programme stayed the same – how to live independently and lower the risk of becoming homeless – but Covid had its own manual, one that was constantly being redrafted. This meant new knowledge on benefits, housing, jobs, entitlements and financial exclusion. Young people were effectively playing a new game and we had to learn then teach them the rules. Unfortunately this meant we had to reduce the employability element of the programme.

However, we had lost the U in our USP. Part of what makes TMH work is it's a simulated living environment, real flats, not unlike what participants move into, rooted in communities on housing estates. It allows us to bring key elements to life and participants to feel comfortable. For example, at the start we show them the meters in the utility cupboard and explain energy bills, costs, comparison sites, switching and efficiency. As the week progresses we see how the dial moves and what things like a full-load wash cost. That's a bit harder on screen! Some young people have also struggled with a lack of digital literacy, being anxious on camera and having unsuitable spaces to learn. We've had to adapt our style to become more interactive to capture our new virtual audience – many of whom already spend a lot of time in front of a device.

> **Only 1%** of The Money House's 4,000 graduates have been evicted
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> **Graduates are three times less** likely to have unsustainable rent arrears
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> **Every £1 spent** on The Money House generates £2.92 in social value

Attendance numbers rose and held up. Demand was growing, with a backlog of young people waiting to 'move on'. This gave us confidence to proceed with the opening of a fourth house, in partnership with Haringey Council, in August. That summer the National Youth Agency designated our work as essential and we soon returned to direct in-person delivery.

It's been far from plain sailing. The pandemic resulted in a 47 per cent drop in attendance and a third fewer ABC Money Management awards. Tough restrictions were compounded by stakeholder staff and participants isolating and reduced capacity to ensure social distancing.

There's been a new set of challenges since reopening. Some young people are uncomfortable coming on site and we have to do more one-to-ones to get them on the course. There's been a decline in virtual numbers versus a rise in direct, but there is still demand, so we envision a mixed mode that takes the best elements of virtual into our model, while measuring impact.

The focus now is on the "snap back" – changes to Universal Credit, the jobs market and evictions, and other issues such as financial abuse. Covid has also accelerated expansion plans, with new 2022 sites coming online in Glasgow and Birmingham.

As I reflect on those times I also remember our funders, the Berkeley and JP Morgan Chase Foundations, Pimco and at the time L&Q, who trusted us to work towards short and long-term solutions, giving us the flexibility to redirect their funding to where it was needed most.

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