



# **Financial Inclusion for the Homeless: A Report on User Consultation**

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**Research as Evidence**

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*"I would welcome help in opening a bank account because at some stage I will need a bank account, when you've got these things you take them for granted"*

- Client, Passage Day Centre.

*"We don't need trips to Chessington, sometimes all we need is free washing powder"*

- Client, Centrepont.

*"I've learned a lot since I've had a key worker, so you've got help when you're struggling, when you need it"*

- Client TRB.

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Any errors are however, the responsibility of the author.

The views expressed in this report are those of the author and do not necessarily reflect those of the London Housing Foundation or Friends Provident Foundation.

## Key Findings

- ⇒ A total of 39 respondents across three homeless organisations were interviewed as part of this consultation exercise;
- ⇒ Most respondents held a bank or post office account;
- ⇒ Rough sleepers are the most likely not to possess a bank or post office account;
- ⇒ A majority of account holders retain accounts held prior to homelessness;
- ⇒ Direct payment of benefits has brought positive experiences to some clients assisting them to improve budget and money management skills;
- ⇒ Identification requirements for account opening still present particular challenges for individuals with chaotic housing situations;
- ⇒ Younger age groups exhibit higher levels of cynicism and antipathy towards banks and financial institutions;
- ⇒ Respondents didn't feel they were dealt with by banks any differently because of their housing status;
- ⇒ Further work and support is required of homeless agencies to assist the homeless to open even basic bank accounts;
- ⇒ Only a small minority of respondents had savings accounts, and the use of direct debits, insurance policies, and financial advice was limited to individual cases;
- ⇒ Respondents in hostels and supported housing have received invites to take out credit card facilities;
- ⇒ Since becoming homeless no respondents have secured credit cards or other credit arrangements;
- ⇒ A small minority of respondents are happy to deal with finance matters independently;
- ⇒ Key proposals for support provision included linking support to key transition points, delivery by key workers and peer educators, and clearer assessments of financial literacy levels;
- ⇒ No respondents felt that finance advice or support should be made compulsory for homeless clients.

## Introduction

This report details the findings of a small scale research consultation project undertaken with the homeless clients of three key homeless sector organisations: Centrepoin; The Passage Day Centre; and Thames Reach Bondway. The work reported on here forms the second stage of a three stage research and consultation exercise funded by the Friends Provident Foundation and the London Housing Foundation.

Friends Provident Foundation and the London Housing Foundation wished to investigate mechanisms and interventions to tackle issues of financial exclusion amongst homeless people and to identify approaches that could be adopted by the homeless sector to foster financial inclusion amongst such individuals.

Stage one of the work involved literature search on what is known about financial exclusion, and interventions to tackle it throughout the UK.

The second stage, user consultation, had a series of aims to address. These include:

- ⇒ To investigate the different views of homeless people from a range of socio-economic perspectives including, young people; older people; women; those from minority ethnic groups; people in hostels; day centre users and those sleeping rough;
- ⇒ To identify the extent different groups feel included or excluded from standard financial services and products;
- ⇒ To identify experiences of banking; non-cash payment of bills; savings; loans and credit facilities; and financial advice;
- ⇒ To identify where homeless people have successfully found support and advice, the features of the support, and the key differences it made to their lives; and
- ⇒ To identify the key financial inclusion challenges for homeless people and the ways they might best be supported in the future.

## Methodology

The methodology for this work involved three interlinked phases of data collection. The timing of the study necessarily limited the work to focus upon purely qualitative data collection approaches, but this also allowed a greater level of detail about specific experiences of individuals to be collated.

It should be noted that the findings presented here may not be fully representative of all experiences of homeless people, yet by approaching a range of Homeless agencies and homeless clients in a variety of settings the findings here can be seen to be indicative of the general situations faced by the Homeless when dealing with financial issues, the financial institutions, and their own concepts of financial inclusion.

Although the research work was the responsibility of a highly experienced researcher, the project was also handled by a partnership of key homeless agencies in Greater London.

Partners who helped arrange and host research activities were: Centrepoint, The Passage Daycentre, and Thames Reach Bondway. Further expert guidance was provided through Off the Streets and Into Work (OSW), a London based charity with over 10 years experience of working across the Homeless sector in Greater London and Europe who advised on the design stages of the research.

Each of the partners agreed to assist in the recruitment of participants in the planned consultation events, provided venues for research activities, and provided staff time for review of research instruments.

Table 1 provides a summary of the methodology used for the study:

**Table 1: Project Methodology**

<b>Homeless People Discussions</b>
<ul style="list-style-type: none"> <li>⇒ A total of 5 discussion groups were held across Centrepont and Thames Reach Bondway involving a total of 23 respondents;</li> <li>⇒ 16 Face to Face interviews were conducted at the Passage Day Centre to reflect the specialist needs of street homeless clients;</li> <li>⇒ Groups had a maximum of 8 homeless participants + 1 staff partner (chair), and 1 lead researcher. Due to non-attendance by some recruited for the groups a total of 39 respondents were interviewed;</li> <li>⇒ Groups were a maximum of 60 minutes long, and were tape-recorded;</li> <li>⇒ Extensive notes were made of proceedings, and key quotes noted from recordings;</li> <li>⇒ Recruitment activity was conducted by a key representative of the host agency who were given guidance on the need to recruit on key demographics including age, gender, ethnicity, and homeless circumstance.</li> </ul>
<b>Discussion Group Debrief</b>
<ul style="list-style-type: none"> <li>⇒ At the conclusion of the group the lead researcher conducted a short debrief interview with the group chair or key staff member from partner hosting the group;</li> <li>⇒ A total of three debriefs were conducted to collate a partner agency perspective on the key issues to have arisen in each group to facilitate write up and analysis. This offered a complementary review of the group to that of the lead researcher and aided the identification of the detailed nuances of respondents that might otherwise be missed.</li> </ul>

## Participation by Homeless People

A key aspect of the method outlined above was ensuring that all discussion group participants had a full and fair opportunity to participate in the group discussion. A number of mechanisms were used to ensure this was the case for all participants:

- ⇒ Participation in the groups was incentivised;
- ⇒ Recruitment activity was conducted by partner agencies who know individual recruits the best;
- ⇒ A representative of the partner agency was present in the group to act as a 'friendly face' and support for all participants;
- ⇒ Debrief will also allow issues faced by less vocal participants to be expressed 'by proxy';
- ⇒ Group facilitation will focus upon open and relaxed questioning, stressing that there are no right or wrong answers.

Coverage of different sub-groups has been undertaken by clear guidance to those recruiting about the need to ensure representation of homeless clients by age gender, ethnicity, and homeless circumstance.

Table 2 below shows the profile of all 39 respondents:

**Table 2: Respondent Characteristics**

<i>Characteristic</i>	<i>Number of Respondents</i>
All Respondents	39
Male	30
Female	9
Aged 16-25	19
Aged 45+	20
Hostel Residents	16
Supported Housing	7
Street Homeless	16
White	17
BME – includes Irish and European	22

Source: Group Monitoring Statistics

## Consultation Findings

The following sections highlight the main findings of the consultation work and focus upon four broad headings – the importance of money matters; the experience and perception of banks and financial services; inclusion matters; views and opinions on support needs and demands.

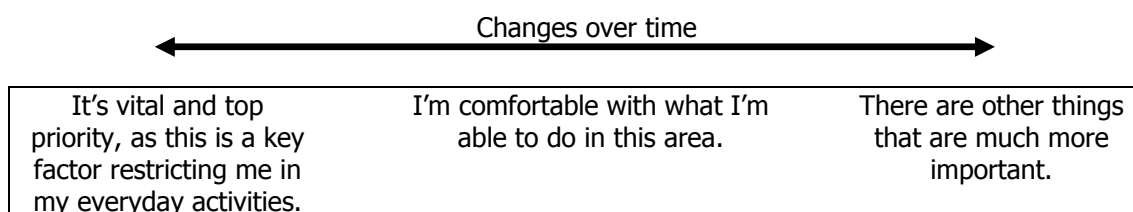
### The Importance of Money Matters

At the start of groups and interviews, respondents were invited to provide their own assessment of how important money and finance issues were to them at the time of the group. Responses were divergent reflecting a range of circumstance and experiences at the time of the group or interview.

It became clear that the importance of money and finance issues were extricably linked to particular experiences and expectations around the life experience of the respondent, and that as circumstances in their life changed, so would the importance they attached to money and finance matters.

Figure 1 below illustrates the broad range of responses on this area of questioning.

**Figure 1: Changing Importance of Money and Finance Matters**



A significant number of respondents could identify particular moments in time when finance and money matters had become top priorities for them and these were often associated to occasions where the lack of money, or limited access to financial products and services had prevented them from accepting a job, accessing housing, receiving benefit, or making purchases.

However, there were limited differences between different gender, age, or ethnic groups of clients in experiences of these occasions, and a consequent change in the priority to which they had attached to money and finance issues. Most of these groups seemed to have had similar experiences.

Indeed, even differences by homeless circumstance, whether in hostels, in supported tenancies, or as street homeless were limited and many spoke about occasions when the importance they attached to money and finance matters altered to become their key priority when access to money prevented them accessing employment, services, or material goods.

What consultation responses did show was that homeless clients are aware of their particular vulnerability to the barriers that exclusion from financial products and services can cause because all had experienced some form of financial exclusion at some stage during their experience of homelessness. Details of these experiences can be found in the following section.

Yet only two of the 39 respondents directly attributed their exclusion from financial products and services, or finance as the cause of them becoming homeless, rather it was exclusion that often maintained their position as homeless. As one client noted:

*"I think the system doesn't give homeless people the opportunity to move forward, there are so many boundaries to moving forward"* – **Client, Centrepont.**

The experience of forms of financial exclusion, and how recent these had been, seemed to be reflected in responses about the success, or otherwise, of dealings with banks and other financial institutions and the subsequent opinions of those banks that clients held.

## Experience and Perceptions of Banks and Financial Services

Over three quarters (29) of all respondents stated that they held some form of bank or post office account. All those who did not possess an account were interviewed at the Passage Day Centre and considered themselves to be street homeless. There were no other differences in the likelihood of holding accounts by age, gender, or ethnicity.

For a majority (17) of account holders these represented accounts that had been held before they had become homeless, many having access to the full range of services available via a standard current account including debit cards, limited overdraft facilities, cheque books, and ATM cards. A minority held limited facility accounts with banks or the post office that only allowed the payment of monies into them, withdrawals limited to amounts of cleared funds, no overdraft facilities, and limited ATM card facilities.

However, about half of respondents identified that there were unresolved debt issues with accounts. Information on amounts owed was not requested but respondents did indicate that they sometimes got "stressed" or "worried" about these accounts, but that their current banking arrangements suited their needs and they were able to manage these accounts.

Banks mentioned by respondents as the supplier of their banking facilities included:

Abbey; Barclays; Halifax; HSBC; Lloyds TSB; and Natwest.

All those to hold accounts received benefits by direct payment. For those without accounts, benefits, if received were paid by giro for cashing at post offices.

Some respondents, particularly those from older age groups, particularly praised direct payment of benefits. As one client highlighted:

*"I go into the post office with my card and the money is there and I just draw out what I need. It's a great system"* - **Client, Thames Reach Bondway.**

It also seems to have provided respondents with access to a system that for some provides a useful mechanism to help with budgeting, and the payment of bills and rent. This was welcomed particularly by the older respondents in supported accommodation. One commented:

*"It helps me keep track of my money, and it's safe as I've had money stolen before when I used to have to carry it all around with me when I've cashed my giro. It's good being able to go into the bank seeing they recognise me and use my money properly so I can pay my rent and bills in the way I want to"* – **Client, Thames Reach Bondway.**

In particular this example above shows how financial inclusion can act as a key part of new housing arrangements for homeless clients. However, not all experiences are so positive.

At least a quarter of all respondents had experienced some difficulty in opening even basic bank accounts. There were no particular patterns in terms of those groups

most likely to have experienced such problems. The reasons given for refusal by the banks were not pertinent to only one group of the homeless people interviewed for this work.

Commonly difficulties were associated for all respondents with the production of relevant identification and proof of address documentation. Whilst some respondents were able to overcome this, with the help and support of homeless sector organisations, those who experienced particular difficulty did so with the following:

- ⇒ Unsuitable documents available;
- ⇒ Documents lost or stolen;
- ⇒ Additional documents requested for basic bank accounts;
- ⇒ Lack of national insurance number for foreign nationals;
- ⇒ Non-acceptance of Jobcentre Confirmation of Identity Letters.

As one respondent commented:

*"they keep asking for my passport, which I've lost, and then want five other pieces of ID"* - **Client, Centrepoint.**

Some respondents identified experiences in banks and post offices where they felt undermined and disrespected by the staff member they were dealing with, particularly in the way in which they were not offered a clear explanation in their eyes of why account facilities had been refused and that no other alternatives were offered.

*"She kept telling me I couldn't open an account because I didn't have this and I didn't have that. I couldn't understand why and she wouldn't explain. I asked for her name because I need this for the Jobcentre when I report back, but she wouldn't give it to me. In the end I got chucked out"* – **Client, Passage Daycentre.**

Debrief evidence showed that staff at the organisations involved in this study would commonly seek external advice about which banks or building societies could be approached by their clients. It was also mentioned that in the past that building societies were perceived as easier options at which accounts might be opened, but recent identification concerns related to illegal activities had led to a noticeable tightening up of requirements. However, agencies still sought to establish particular relationships with local branches of mainstream financial institutions to facilitate account-opening activities for their clients, and this tended to be most successful where good working relationships were established with senior managers at the branch in question. Yet there were concerns that this was too reliant upon specific individuals who may then move to alternative branches and the opportunities established may then be lost as a result.

The respondent above also raised an important and reoccurring theme where at least half of the respondents spoke about their suspicion and antipathy towards banks and other financial situations. For many this had arisen out of poor experiences with the banks due to debt problems and the perceived "lack of sympathy" these institutions are believed to hold for people in this situation. One respondent spoke of her frustration with one bank over debt difficulties arising with her current account:

*"I felt let down or that the bank wanted to catch me out. They didn't want to offer help until it got really serious and debts started to mount and charges increased"*  
**Client Centrepoint.**

Amongst younger age groups there was a particularly high level of cynicism regarding the activities of banks and financial institutions, beliefs that they sought to catch people out with high interest charges, or charges for debt servicing.

However, some experiences for respondents did seem to be particularly difficult. Problems with accounts associated with lost or stolen cards were situations where respondents often seemed to have particularly poor experiences rectifying the problem. Although these kinds of account problem are not exclusive to the homeless, issues of low self-esteem and low self-confidence commonly found amongst the homeless population (Singh 2005) present particular difficulties here. Their higher prevalence of these traits amongst homeless people means the rectification of account problems can be that much harder as a result. A factor reflected on by a number of respondents who highlighted the particular delays they experienced when trying to replace lost or stolen cards on both bank and post office accounts. This is for a group for whom even average times of replacement can place particular pressures upon access to finance.

A further view on the homeless persons experience of banks and other financial institutions arose from debriefs with staff members at the Passage Day Centre. This highlighted the particular impacts of the rise of technological developments in the banking and finance industry resulting in the increased automation of many basic bank functions.

*"this means that the banks have become increasingly dehumanised and that personal contact with customers has become less frequent. The philosophy for our services seeks to maintain personal contacts with the homeless person, to understand their needs, and the reason or reasons why they became homeless in the first place. The system of banking we have now can't necessarily do that and this works to the particular detriment of those, like the homeless, who need the most support."*  
**Passage Day Centre.**

However, there was no specific evidence from the respondents themselves that suggested they felt they were being dealt with in any way different because of their homeless status, whether in a hostel, in supported accommodation, or on the streets. As one respondent indicated:

*"I don't think they [the bank] know me personally I'm just a faceless customer, I don't find them dealing with me any differently from anyone else"*  
**Client – Thames Reach Bondway.**

Yet other respondents as previous quotes have shown relished the personal contact that came from visiting the same branch each week to withdraw money. We will see later that this kind of personal contact also plays an important role in the respondent's own assessments of how further help and support might best be delivered.

## Inclusion Matters

Previous sections have shown that a significant proportion of all respondents have experienced some difficulties in gaining access to even basic bank accounts. Most commonly these remain difficulties with the production of documentation to confirm identity and/or address details. Despite the wider spread availability of basic bank account facilities and post office accounts, and the requirements for the possession of these under the auspices of the direct payment of benefits, the evidence from the interviews conducted for this consultation show that the homeless still face particular difficulties in gaining access to even this most basic foothold in financial inclusion.

As a consequence further work and support is required by homeless agencies to assist applications for bank accounts. Approaches to this vary but the evidence presented here suggests that many of these services are going to be required into the foreseeable future whilst the homeless continue to experience particular difficulties in accessing basic bank accounts.

However, further evidence from the interviews shows other issues of concern about the involvement of the respondents in relatively basic financial services.

These responses showed that only a small minority of respondents has savings accounts. 4 respondents identified specific savings accounts that they held, and none of these identified any particular difficulties in opening these accounts.

Respondents only made mention of one other form of financial product – credit cards – specific mention of pensions or insurance was not made. As such this low level of potential uptake mirrors findings of the Government's Social Exclusion Unit in 1999 (SEU 1999) that highlighted that poor people use financial services less than more wealthy counterparts. Other reports have already examined the implications of these issues for the financially excluded, here it highlights that even access to basic bank accounts should only be considered to be the first stage of a range of mechanisms to establish the inclusion of homeless and other excluded groups in mainstream financial products and services to provide platform out of their current situation.

As one respondent – a rough sleeper – identified:

*"it's all about normality, and I think having a bank account is another step towards normality"* – **Client – Passage Day Centre.**

However, the issue of credit cards illustrates an interesting inclusion paradox for the respondents to this consultation work. 15 respondents identified that they had received an invitation to apply for a credit card, for at least 10 respondents this invitation had been sent to their address at a hostel. Although none had been successful in any applications made, there was a degree of confusion amongst these respondents as to how the invitation had reached them in the first place, after they had problems accessing and opening bank accounts. Furthermore, respondents in supported accommodation indicated that their receipt of invitations had increased after they had moved into their current home.

Whilst the paradox for respondents is clear - I have difficulty in getting a bank account from my bank, but I still get these invitations for credit cards – there does seem to be a high level of caution amongst most respondents about such offers.

This is most pronounced amongst the oldest age groups, but most respondents were clear that they approached this form of 'financial inclusion' with a high degree of scepticism.

As respondents commented:

*"They send em me, but I just bin them"* – **Client, Thames Reach Bondway;**

*"I won't entertain them, it's making you go in and get debt"* - **Client, Thames Reach Bondway;**

*"I'd like a credit card but I ask myself will be able to afford it?"* – **Client Thames Reach Bondway;**

*"I should have learnt from that and when I get cards through the post I should snap them in half"* – **Client, Centrepoint.**

Some clients avoid credit all together and will not apply or take out credit cards and not always because they have experienced problems with debt, but they have seen it's impacts upon others. As a result they look at alternative ways of sourcing goods and services through informal contacts, and, for some via the worldwide web through websites such as Gumtree. Such approaches supplant the need for full involvement in a wider range of financial services and products, for the current period, but respondents were clear that:

*"At the moment I don't need that kind of help, but when my circumstances change I might need their [the banks] help"* - **Client, Centrepoint;**

while another client commented:

*"if you don't have any real finances you don't need financial services in my eyes"* – **Centrepoint.**

A further inclusion issue relates to access to finance information. As many of the respondents lack access to the full range of financial service and products available to others their receipt of information on financial matters, that can contribute to higher levels of financial inclusion are considerably lower (SEU 1999). Respondents admitted that their budgeting and money management skills were poor.

However, a minority of respondents indicated that their harsh circumstances had led them to improving their own skills in this area independently of any help or support they might have received from the agencies they were currently working with.

It was clear that the most financially excluded respondents were to be found amongst the street homeless attending the Passage Day Centre, levels of account holding were much lower than with other groups, in spite of the work done by staff at the Centre.

This experience of financial exclusion is a first level at which exclusion can be considered to be occurring. Respondents across all groups all showed evidence of either immediate or some previous experience of exclusion from financial products and services that limited their full use of the benefits such systems can provide for

users. As such this could occur for them through the reduction in utility prices through direct debit payments, access to online purchases of cheaper priced goods and services than found on the high street, or access to cheap credit to facilitate the move to more permanent accommodation.

The respondents illustrated a range of experiences with financial services, products and institutions and a variety of outcomes. When asked about support needs they were keen to highlight some key areas of activity where, given these experiences, service development, enhancement, and maintenance could be put in place by both the homeless sector and the financial institutions to address some of their complex needs in this area.

## Views and Opinions on Support Needs and Demands

Respondents were keen to stress the importance of support for their colleagues. However, not all respondents wanted support for themselves. In some cases this was because they had sought to improve their own skills and knowledge in this area independently. Results from the interviews showed that there was a small minority who felt able to deal with finance matters themselves without the support of the agencies with which they were working. A majority welcomed the opportunity to receive formal help and advice in this area:

*"I would welcome help in opening a bank account because at some stage I will need a bank account, when you've got these things you take them all for granted"* – **Client, The Passage**

Only a minority of respondents identified that they had received formal training or advice on finance matters from agencies with which they had worked. Generally responses to this help and support were positive. However, many more respondents stated that they could not remember receiving help and advice in this area, and that their subsequent experiences had made it clear to them the value that could be gained by tackling these issues.

There were a number of key perspectives that respondents felt should drive any continuation of provision or its development by homeless agencies.

Perhaps the strongest viewpoint concerned timing. A particular emphasis was placed by all respondents upon the value of regular advice and support on finance matters throughout the dealings that a client may have with a homeless agency.

Frequent bite size information sessions and practical assistance were felt to be most beneficial.

*"Finance isn't that exciting and you can't make people do it, but short sessions around specific activities would help"* – **Client, Centrepoint**.

Particular importance was attached to the delivery of support and help around key transition points for clients. Consequently respondents spoke about experiences of help and advice around money matters that had coincided with moves into hostel accommodation, or into supported housing. It was particularly where help and advice had not been available that made the need all the more immediate for respondents.

*"I remember being left to get on with it, suddenly there I was I had everything to do"* – **Client, Thames Reach Bondway**.

*"If you're living in a hostel there should be someone there to point you in the right direction. We didn't know who to turn to, to tell you what to expect, how to manage money and sort out bills"* – **Client, Thames Reach Bondway**.

*"Whenever you have a major change in that circumstance you need help with that transition and its impact on your financial circumstance"* – **Client, Centrepoint**.

This is not to say that homeless agencies do not already provide this kind of support, where this support is provided client knowledge of its existence and availability seems low.

Respondents were asked about how support and advice might best be provided and who should deliver it. For the majority of respondents, peer education and key workers were highlighted as the main preferred delivery mechanisms.

Peer education systems rely on homeless clients providing advice and guidance for each other. Programmes are often developed and agreed by the clients themselves and this may account for some respondents not remembering receiving advice and guidance on money matters as the peer education programme these respondents may have participated in may not have included work on finance matters.

For the respondents peer education was of particular value because of the immediate understanding that the deliverers have of the situations those they are advising and guiding are going through.

*"Peer education is a good way to give that kind of advice as they have practical experience of the situation they are speaking about"* – **Client, Thames Reach Bondway.**

*"street people are the best ones to give advice to other street people"* – **Client Thames Reach Bondway.**

*"A lot of knowledge has come from having harsh experiences around issues like finance, I tell myself it's never going to happen again. I probably wouldn't have listened to just anyone telling me about it. It's like most things in life I think you have to go through it, you've got to have a bad experience to wake you up. I think that's why peer education is so effective in this area"* – **Client, Thames Reach Bondway.**

Key workers also hold a special place for most respondents offering support and advice over a range of issues.

*"I see my key worker once every 3 months and he always gives me good advice"* **Client – Thames Reach Bondway.**

*"I've learned a lot since I've had a key worker, so you've got help when you're struggling, when you need it"* – **Client, Centrepoint.**

The role of key workers was further supported during the debrief work that highlighted an important consideration in the assessment of a client's suitability to receive advice and guidance on finance matters.

*"How soon do we start talking about a bank account, it might not be helpful at all to start talking about a bank account in the first two weeks, the assessment of why they became homeless in some sense is the most important"* – **Staff Member, Passage Day Centre.**

This comment also points to an important further consideration concerning the kind of support needed by homeless clients surrounding finance matters. Alongside

assessing causes of homelessness the findings in previous sections illustrate the value of assessments of financial literacy as part of initial needs assessment services provided to homeless people.

One client identified:

*"You know what it [debt] does to you when you get it wrong and then that you're not going to do it again. I need to get behind why I act the way I do around money and understand that and tackle it for me to move on"* – **Client, Centrepoin**t.

Some respondents identified that they would value more direct approaches by banks and financial institutions suggesting that such agencies could consider making visits to hostels, day centres or other accommodation to recruit new customers and assist in application forms. A specific example was highlighted where such a scheme was working at a Hostel in Bayswater.

Significant praise was also made of the financial inclusion scheme at the Passage Day Centre where an ex Bank employee has been employed by the centre to assist in the opening of a basic bank account. A key part of the role involves the signing off of identity confirmation on behalf of clients who have been known to the day centre for at least a month using an agreed form.

## Conclusions

This user consultation had a series of aims to address and the findings above have illustrated a range of perspectives on issues of financial inclusion.

In summary this final sections will seek to show what the consultation has revealed against each of these aims.

- ⇒ **To investigate the different views of homeless people from a range of socio-economic perspectives including, young people; older people; women; those from minority ethnic groups; people in hostels; day centre users and those sleeping rough;**

Views of different groups of homeless people did not differ markedly. Some experiences for certain groups were more common and those sleeping rough were the most likely to highlight particular problems with accessing even the most basic of financial services and products. However, there was general agreement that identification requirements for banks will always present challenges to those with chaotic housing situations, but that support from homeless agencies could be brought to bear to overcome these.

- ⇒ **To identify the extent different groups feel included or excluded from standard financial services and products;**

The majority of respondents felt excluded from standard financial services and products. A significant minority had experienced some difficulties opening bank accounts. Whilst for some these still remained unresolved the experience of exclusion from standard financial services and products is not always immediately apparent to some groups until they are unable to conduct particular activities – most notably taking employment from an employer who will only pay salaries by BACS transfer, or for those looking to set up direct debits on simple post office accounts. Only then do experiences of financial exclusion become explicit for some homeless people.

- ⇒ **To identify experiences of banking; non-cash payment of bills; savings; loans and credit facilities; and financial advice;**

Experience of banking services whilst homeless was extremely limited. Accounts where held were either a legacy of banking services received prior to homelessness, or had been set up subsequently and were therefore limited by the limitations of basic bank accounts. There was some evidence that direct debit and standing order features were being utilised, but this was most common amongst older age groups and those individuals who had moved into supported housing. Savings activity was even more limited with only four respondents identifying that savings accounts were held. Although a significant number of respondents had been approached with offers for credit cards, none of the respondents identified that they had been able to secure a credit card or agreement. Financial advice was limited to that received from key workers, peer educators, or limited advice from benefits agency staff.

⇒ **To identify where homeless people have successfully found support and advice, the features of the support, and the key differences it made to their lives;**

Respondents have offered further confirmation that appropriate support to tackle financial exclusion involves coverage of communication skills development for homeless people to facilitate for effective management of personal finance; the need to link literacy and numeracy training to underpin financial literacy development; and developing programmes that are focussed upon immediate needs, ensure ease of attendance and are delivered by trusted providers most commonly key workers or peer educators (England and Chatterjee 2005). Without exception this support provision has been provided by the homeless sector and has ensured the successful transition of clients away from homelessness;

⇒ **To identify the key financial inclusion challenges for homeless people and the ways they might best be supported in the future.**

The key challenges will continue to be access issues to basic banking services. Homeless people present a set of difficulties to the banking and financial institutions and their identity requirements that current systems find hard to deal with. As a result those least able to overcome these barriers suffer to a greater extent. The key challenge within this is the ways in which the homeless sector and banks and other financial institutions might best work together to help overcome these barriers for the most vulnerable in society.

Furthermore ongoing support is required throughout the full transition period as the homeless move toward more formal and sustained housing solutions to ensure that financial inclusion acts as a protection against returning to homelessness.

Support in the future is best focused upon work through key workers and peer education schemes, alongside improved understanding in both the homeless and banking sectors about how each works.

## References

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