



THE QUIDS IN! READER SURVEY 2014

EXECUTIVE SUMMARY

The 2014 *Quids in!* reader survey provides insight into the financial resilience of social tenants across England, Scotland and Wales. Almost 800 viable responses were received online and by post. The research provides invaluable insight into how financial issues have impacted many of the poorest in the UK over the past year or two. It paints a picture of declining health, negative expectations and increasing divisions between those who are able to access help and financial services and those whose lives simply prove that it costs more to be poor.

The context:

- There are over 4.6 million social tenant households in England, Scotland and Wales
- *Quids in!* magazine reaches 160,000 of them each quarter, circulated as a free supplement to landlords' newsletters, offering accessible advice on financial capability, income maximisation and where to find help
- People in poverty, or who are disabled or unable to work, or affected by social exclusion are most likely to access social housing. Many older people have tenancies from when social housing was more accessible to anyone who needed it. As a group, their stories tell us about living at the hard end of Government policy
- The collapse of the financial sector in 2008 led to increased unemployment (and under-employment), recession and a tightening of how institutions offer credit
- In 2010 the Coalition Government instituted a period of 'austerity', pledging to balance the country's books by cutting welfare and public spending, and modernising access to benefits as 'digital by default'
- Living costs have risen, starting with an increase in VAT but also driven by rocketing energy prices

Money Worries and Debt

- **62%** of respondents said they were struggling to keep on top of payments on things they owe
- **52%** were falling behind or struggling to meet bills – **72%** among people not retired or in full-time work
- **41%** had difficulty keeping up with debt repayments
- Many had turned to high interest credit: **6%** took out a payday loan, **6%** had a loan from someone calling at home, **15%** used a store offering credit (including store cards) or catalogue, **23%** used a credit card
- Use of payday loans tripled since *Quids in!*'s previous research in 2012, while other forms of credit was down
- **43%** said they would do without a high value item like a washing machine, if it broke down
- **53%** missed out on occasions with families and friends
- **51%** turned off their heating despite being cold
- **37%** skipped meals on account of money worries

- **33%** needed advice about debt of some kind; **31%** checked they were accessing the benefits they were entitled to; **27%** needed advice on budgeting; **18%** on borrowing; **14%** on increasing income
- Older people tend to need less help. Working age people not in full-time employment needed most help
- **39%** of people who responded by post and **69%** online said they had a PC at home. Only **19%** of posted responses said they were prepared to access benefits online – **26%** of those who responded online
- We call for investment in digital inclusion activity and accessible self-help advice resources and for more institutions providing (and promoting) appropriate credit as an alternative to high interest borrowing

Welfare

- Of working age respondents:
- **25%** were unable to work or retired already
- **11%** had a job but received benefits as well
- **12%** didn't have a job but felt employers did not want them
- **3%** were out of work but not claiming benefits
- **10%** were under pressure from the Job Centre but couldn't find work; **17%** faced sanctions by the Job Centre
- **43%** saw their benefits reduced in the previous year. (**18%** of older people reported this.) People already living below the poverty line were most affected – **48%** of those with income of less than £200 a week
- **27%** were affected by changes to Council Tax Benefit 'a lot' and **17%** more 'a bit'
- **26%** had been hit by under-occupancy rules and **22%** by benefit caps
- **30%** of working age people were concerned about Personal Independent Payment
- **54%** were concerned about the prospect of monthly and direct benefit payments
- Further research is required among tenants who identify themselves as unfit to work, the reasons behind low confidence among unemployed people and monitor the impact of Universal Credit as it is introduced

Access to financial products

- Surprising results showed social tenants are using financial products less now than two years ago. Further research is required to look into a statistical drop from **85%** using bank accounts to just **48%**
- Payday loans and (more positively) credit unions buck the trend and saw increased usage
- People are less protected against the future: Home contents cover had declined from **51%** to **39%**; only **4%** of working age people not in full-time work have a pension

plan and only **24%** have savings

- **74%** of payday loans customers were not in full-time work or retired, as were **83%** of people using doorstep lenders, **66%** of people using stores offering credit or catalogues, and **80%** of cheque cashing service users

Consumers Consumed

- **83%** had changed shopping habits on account of money worries: **38%** had started to look for bargains or buy in bulk; **35%** were now buying second hand; more than half had cut down on purchases of essential items
- **52%** of people on incomes of less than £200 a week were skipping meals and **31%** of those on less than £300
- **10%** of working age people not in full-time employment use foodbanks and **5%** of those in full-time work
- **64%** of working age people not in full-time employment are falling behind with bills
- Around **42%** of respondents were happy to shop online
- Ways to help more people benefit from shopping online should be explored in the context of skills, the importance of having money to spend, (you save more if you spend more), and access to, eg, bank cards
- Scottish readers were less likely to have access to the IT and the internet

Employment, Employability and Income

- **19%** of respondents are in full-time employment (**22%** men, **17%** women); **17%** work part-time (**7%** men, **22%** women); **21%** are retired (**26%** men, **16%** women)
- **14%** were unemployed and **23%** identified themselves as unfit for work
- **20%** of working age people said they had a job but it was not meeting their needs, (**17%** said it did)
- **12%** were unemployed but felt employers didn't want them; **11%** were out of work and not looking for a job
- In two years, more readers were employed but more in part-time work – but more say they are unfit to work
- Ironically, more unemployed people who responded online were pessimistic about their prospects despite **72%** of employers reported to reject candidates without IT skills
- Further research to explore the how debt, ill-health, long-

term unemployment and poor confidence conspire against jobseekers' ability to find work – and how each issue negatively impacts the other

- **33%** of online respondents said their income was less than £200 a week; **53%** of postal responses said this

Health and wellbeing

- **52%** of readers said money worries had caused them to feel frightened, anxious or depressed
- **51%** turned off their heating despite it being cold; **37%** reported skipping meals
- **30%** said money worries caused them to become physically ill
- All the above were an increase on two years ago
- Many had become more isolated with **53%** missing out on occasions with friends or family
- Older people appear to fare better and working age people not in full-time employment suffer worst
- Of people on less than £200 a week: **52%** skipped meals; **60%** missed social occasions; **66%** turned off heating; **65%** felt frightened, anxious or depressed; **42%** became physically ill

Feeling Quids In?

- **48%** found *Quids in!* useful sometimes, **32%** often, **14%** all the time. Only **7%** did not find it useful
- Of people on less than £200 a week **31%** found the magazine useful often and **15%** all the time
- **18%** of readers in the North of England found it useful all the time, (**29%** often). **69%** of Welsh readers find it useful often or all the time
- Money advice mattered most to working age readers, while news was most important to older readers
- A social return on investment study should follow up to see the impact and value of interventions on financial capability, income maximisation and signposting help
- Using the statistics collated, a conservative analysis suggests a bare minimum **300%** return on investment in *Quids in!* magazine and a quarterly financial benefit to readers worth at least £87,216, though our own figures suggest this to be much higher

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