

The experiences of people in housing debt

March 2016

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Executive Summary

Shelter conducted 19 in-depth qualitative interviews in November 2015 with people who were or had recently been in rent or mortgage arrears. This report summarises the findings of this research.

Journeys in and out of housing debt

The routes into housing debt are complicated but can be broadly grouped by those who had experienced a change in circumstances, and those who had received an unexpected outgoing. A change in circumstance could have been unemployment; benefit changes; relationship breakdown; death of a partner; a pay freeze; and, illness. Unexpected outgoings included needing a new boiler or car repairs but also included smaller items that people had not accounted for in their day to day budgeting because of already being so financially stretched. Their ability to cope with income drops and shocks was dependent on how well they were managing financially already.

People were often dealing with their housing debt in addition to other debts and other problems in their lives, either related or unrelated to the debt. Redundancy, relationship breakdowns, death of a partner and being demoted at work compounded their inability to pay because not only were they less able to afford their housing costs, they were also struggling emotionally as a result too. Other factors such as poor mental and physical health, domestic violence and weak support networks affected their judgment and ability to prioritise their focus on resolving their debt issues and prioritise their housing costs over other issues and finances.

There was an overwhelming preference to attempt to resolve their issues on their own as the problems presented themselves. As well as alerting and trying to negotiate with their landlord or lender, people tried to get their finances under better control by stopping other spending and prioritising their housing costs, using websites to look for deals on financial products and advice. Borrowing money to help with housing costs and arrears was sometimes an option and was effective unless someone was constantly struggling. Only at later stages did they try to get advice from external organisations.

Organisations approached for help were most effective when they were providing support with the court process, in particular, with representation and helping with legal costs. However, they were also supportive for those who needed to access benefits available to them, which helped their ability to afford their housing costs in the long-term.

When arrears could not be settled, people often lost their homes and ended up homeless following eviction by the landlord or lender. The families in these situations that did not find a home in time before being evicted ended up living in temporary accommodation for many months before finding a more permanent home.

However, sometimes people repeatedly got into housing debt after getting out of it. This was most likely to happen when they were continually struggling with their outgoings and living on a financial knife-edge. Any set-backs that occurred, just as easily as they had the first time, would mean they were not able to afford their rent or mortgage and they were once again in arrears.

Impact of being in housing debt

People were very emotionally and mentally affected from being in housing and other types of debt and some felt this had led to physical illness too. The stress from being in housing debt was overwhelmingly mentioned by people and it had the ability to completely consume them

with worry. They did not feel at ease until they felt 'safe' from the threat of eviction from being in arrears. Some reported depression, an inability to sleep and panic attacks as a result of the stress and some felt it had led to physical illnesses such as high blood pressure and strokes. When trying to reduce their outgoings, there were some tough decisions made about what they would prioritise and as well as concern about the effect of drastic actions such as to 'heat or eat', denying themselves small pleasures over time may also have an effect on their psyche.

Being in arrears not only put them at risk of losing their current home but also potentially made it more difficult to find a new one. Bad credit ratings were a worry for some, particularly when faced with the possibility of having to find somewhere new to live because of the arrears.

Families with children often tried hard to hide their financial difficulties from them, particularly concerning their homes being at risk because they did not want to worry them and did not see it as something they should get concerned about. However, for children living in temporary accommodation, the reality was soon clear. Living in temporary accommodation had a profound effect on the children who were faced with uncertainty with their schooling, as well as having trouble sleeping with the living arrangements often compromised. Parents were concerned what the psychological effects of not knowing where they would be moved to next were on their children.

Background

This is a report summarising the findings from in-depth qualitative research undertaken with 19 people who are experiencing, or have recently experienced housing debt. All of the interviews were conducted in November 2015.

Aims and Objectives

Shelter wanted to look at the experiences of people who are in housing debt, or had been in the last three years. Housing debt is defined as falling into arrears with their mortgage or rent.

The research was to look at:

- The journeys that someone goes through when they are in housing debt;
- The immediate and long-term financial, social and emotional impacts of housing debt on their lives;
- If, and when, they sought advice and support and what helped them;
- What messaging might encourage them to seek advice in the future; and,
- If, and how, they got out of housing debt and what further support might be needed.

Methodology

A qualitative approach was adopted to allow in-depth exploration of the issues surrounding housing debt. Nineteen qualitative in-depth interviews were conducted over the telephone. In order to understand the range of sources and avenues of housing advice that people use, ten Shelter clients and nine people who had not used Shelter's services were interviewed. A twentieth interview was left out of the analysis, as it transpired the participant had not fallen into arrears.

Participants were told that the interviews would last between 45 minutes and an hour. In practice, the interviews ranged from 17 minutes and an hour and 40 minutes. The wide variance was due to the nature of their problems: when it was fairly straight forward and their arrears were reconciled fairly quickly the interviews tended to be shorter; when there were a number of problems and routes taken the interviews were a lot longer.

Recruitment and Sample

Recruitment

A sample of clients who had come to one of Shelter's services between 2013 and 2015 and had contacted us with one of the following issues: rent arrears, mortgage arrears; eviction from arrears, possession action and priority debt (e.g. mortgage, rent, council tax). A full list of these issues can be found in Appendix A.

When contacted, they were checked to ensure that their problem related to rent or mortgage arrears, the severity of this debt, whether this was current or in the past; and missing demographic details were taken. The script for this recruitment can be found in Appendix B.

To recruit participants not from Shelter's own services, the market research company MRFGR was used to recruit people who are or were in housing debt from their database. Participants were asked a series of screening questions before being recruited for the research. These were in line with the questions Shelter clients were also asked to determine whether they were in housing debt, how recent this was, the perceived severity of this, as well as collecting demographic details. The screener for these participants can be found in Appendix C.

All of the participants were from England and were offered £40 in Love2Shop vouchers to say 'thank-you' for their participation in the research

Sample

Shelter sought perspectives of people experiencing varying severities of debt, including eleven people who are currently, or have previously been at risk of becoming homeless, two people who became homeless in the past three years and one person who is currently homeless and staying in temporary accommodation.

We aimed for half of the sample to be currently experiencing housing debt, with the other half to have successfully come through it. This would enable us to capture full journeys and to learn about effective housing debt management. However, this was difficult to achieve as many that were contacted who had experienced housing debt within the last three years were either still in arrears or had since found themselves back in arrears. Overall, seven participants who were previously in debt and 12 who were currently in debt were recruited to take part.

To capture the impacts of housing debt on different family types, we spoke to eleven families with dependent children, three couples and four single people. Nine participants were homeowners, five were social renters and five were private renters. To ensure a gender balanced sample, we spoke to nine men and ten women. Participants were recruited from a range of areas across England.

Table 1: Characteristics of interviewed participants

	Shelter clients	Non-Shelter clients
Tenure	Social renter x3 Private renter x3 Homeowner x4	Social renter x2 Private renter x2 Homeowner x5
When in debt	Currently x6 Previously x4	Currently x6 Previously x3
Severity of debt	At risk x6 Not at risk x2 Homeless x2	At risk x5 Not at risk x3 Homeless x1
Type of household	Has dependent children x7 Single x3	Has dependent children x5 Single x1 Couple x3
Gender	Male x5 Female x5	Male x4 Female x5
Region	London x3 Yorkshire and the Humber x2 North East x1 North West x2 South East x1 East Midlands x1	London x3 Yorkshire and the Humber x3 West Midlands x2 East x1

Designing the discussion guide

In order to ensure the in-depth interviews answered the key research questions a discussion guide was created, which also ensured there was a consistent approach to the interviews. After the first few interviews, the discussion guide was adapted following interviewer feedback. The final discussion guide used can be found in Appendix D.

Analysis

Interviewers used an analysis spreadsheet based on the discussion guide. Two analysis sessions took place with all of the interviewers involved and the interviews were analysed by identifying the key themes in the interviews.

Interviews were recorded using digital recorders, and recordings were reviewed to check our assumptions from the analysis sessions, review the evidence and to identify quotes.

Findings: The journeys in and out of housing debt

Key Findings

People who are in housing debt often have incredibly complicated journeys both in and out of debt. Broadly speaking, there were two main ways identified that people found themselves in housing arrears: a **change in circumstances** and receiving **unexpected outgoings**. A change in circumstance could have been unemployment; benefit changes; relationship breakdown; death of a partner; a pay freeze; and, illness. Unexpected outgoings included needing a new boiler or car repairs but also included smaller items that people had not accounted for in their day to day budgeting because of already being so financially stretched. Those who were struggling already were put in more precarious situations when urgent and unavoidable outgoings not accounted for were required.

People are often dealing with their housing debt issues alongside a **multitude of other problems**. In some instances these problems caused their inability to pay their housing costs, but in all instances they made it difficult to prioritise their housing debt over other problems.

At an early stage, people tried to **contact their landlord or lender**, who were sometimes accommodating. They also did all they could to **reduce other spending**, take greater **control of their finances** and generally did all they could to **resolve the issue themselves**. However, this often was not enough and other steps were taken such as **borrowing money**, **moving home** and creating **payment plans** to settle their arrears.

If arrears could not be settled this often resulted in them **losing their home**. Although they sometimes found it possible to find another home before they left their current home, stories of living in temporary accommodation or sofa surfing were common before finding a more permanent home.

Being in arrears in rent or mortgage sometimes happened **recurrently**. Sometimes this was due to the household already struggling and an **unexpected cost** making their housing costs unaffordable again. It was sometimes surprising for those in debt that it had happened to them and **how easily it had occurred**.

People are not very aware of organisations that would be able to help them in their situation but they also have a **strong sense of personal responsibility**, meaning they feel that is their issue to resolve. For these people, they **did not identify with advice organisations** and charities because they are seen to be for the most vulnerable in society.

The most effective support early on was identified as **cash injections**; whereas later on it was identified as support when going through the **court process**. There were some potential barriers identified to requesting formal help sooner such as a **lack of awareness** of available services and **misperceptions about who the organisations** are designed to help.

How people got into housing debt

Changes in circumstances

Some people had got into housing debt due to changes in their circumstances which affected their ability to pay in the long term. This included: unemployment; benefit changes; relationship breakdown; death of a partner; a pay freeze; and, illness.

Some of these changes resulted in an immediate fall into debt, whilst others occurred more gradually or had an impact after a longer period. For example, a pay freeze affected the

affordability of outgoings gradually over a number of years and an illness only affected their ability to pay their rent or mortgage when it resulted in their inability to go back to work. For one father who was self-employed, his income became quite variable in the economic downturn and payments for his work were often delayed. Other changes such as a relationship breakdown and unemployment had a more immediate impact and often meant a significant reduction in income.

Issues with benefits made it difficult for some to pay their rent either because of being told they were no longer eligible; being changed from Employment and Support Allowance to Job Seeker's Allowance, which they were unaware of for some time; being impacted by the 'Bedroom Tax'; or housing benefit being insufficient to cover their rent after being made unemployed.

Case study- change in circumstances

One person was living with his girlfriend in a privately rented flat in Leeds. When they broke up, she moved out, leaving him to serve the rest of their contract for the next eight months. With his bills essentially doubled with the removal of her income, he really struggled to meet all of his monthly outgoings, although he was in full-time employment and was previously fairly comfortable.

Unexpected outgoings

Unexpected outgoings posed a slightly different problem. They were outgoings that required immediate payment, such as a new boiler or car repairs, and made housing costs in the short-term extremely difficult to meet. Without financial assistance at this point, they were likely to be in on-going arrears.

The people who were impacted by unexpected outgoings were unlikely to have many savings and were already struggling each month, although had previously been making their housing payments. These large one-off payments meant that they were unable to make their rent or mortgage payments and without other financial support they felt this was enough to put them in financial difficulty for a long time.

Case study- unexpected outgoings

Just before last Christmas, one mother's boiler broke down and she needed to buy a new one. Facing winter with no heating in the house she felt it was important to get this resolved, which cost nearly £3,000 but left her unable to pay the mortgage.

Unaccounted costs

There were also other expenditures that had not been accounted for in some people's budgeting that put them in financial difficulty. These costs were, to some extent, expected but were distinct, in their minds, from the everyday costs of bills and groceries. As they were already struggling to buy the essentials, budgeting and saving for these things did not seem feasible for them.

For example, school trips, although a semi-regular occurrence for school-age children, were not always taken into account for budgeting because it was a lesser priority. However, the parents still wished their children to take part and not miss out on the trips and so paid for their children to go on the trips any way. These sorts of expenses built up and meant that the households were struggling each month to pay the expected costs, such as bills.

Case study- unaccounted costs

One father said that school holidays were difficult. Needing to entertain the children during their breaks they would sometimes take a trip into London but with that comes train tickets, and maybe food whilst they are out, not including the price of any entry fee for attractions. He thought that although it sounds trivial, it all adds up and the holidays come already all too frequently.

Already struggling to keep up

Across these three groups identified, even without income shocks, many were already struggling each month to meet all of their committed expenditures. They were living very close 'to the edge' already and these setbacks ensured that they could not meet their monthly outgoings. The high cost of living compared with their low incomes meant they felt unable to save for any changes to their circumstances.

"Even though I get paid a reasonable amount it isn't enough for me to do everything. You're constantly robbing Peter to pay Paul. As much as I didn't want to not pay rent it came down to things like, do I heat the flat and feed the children or do I pay all of the rent?"

Female, Shelter client, currently in arrears, previously homeless, previously a homeowner, has children, London.

For those with savings who felt comfortable until the point of an income shock, it was surprising to them at how quickly they got to a point where they could no longer sustain their housing costs. They found their savings did not go very far when they needed to pay their housing costs, other bills and food. This was frustrating for them when they felt they had been doing the 'right thing' of working and saving up to avoid getting into financial difficulties but their savings were insufficient to help them for long.

"We had savings in place but they go quite quickly once you lose a wage."

Female, non-Shelter client, homeowner, previously in arrears, no children, West Midlands.

Buffers from income shocks included financial assistance from family or friends and the use of credit. Friends and family were a last resort because of the stigma attached to struggling with finances. When constantly struggling this was less successful at getting them out of arrears in any sustainable way, but when in arrears due to a large unexpected cost this was often just the cash-injection needed. Using credit, such as credit cards, overdrafts and loans, was also a tactic used as a buffer when suffering from an income shock. However, unless suffering from a large unexpected cost when normally comfortable, it was not always a successful way out of housing arrears.

Compounding factors

Debt issues were not usually isolated from other problems. People often had an array of other concerns, which made their situations more complicated. As above, sometimes these issues were direct contributors to their housing debt, such as redundancy, relationship breakdowns, death of a partner and being demoted at work. Not only did these have a direct financial consequence, they also had a cyclical effect on their ability to prioritise and make payments. Additionally, there were emotional impacts that made it difficult to know what was important and what they could do about it. Sometimes they did not directly affect their ability to pay their housing costs, such as poor mental and physical health, domestic violence and weak support networks, but they did affect their judgement and focus on what they needed to be doing.

These factors affected their ability to resolve their housing debt issues quickly and effectively. Some people did not know which to prioritise first. Each factor was having a negative and reciprocal effect on the other and their ability to sort out their rent or mortgage

payments. One mother was having issues with mental health as a result of a violent relationship breaking down, whilst simultaneously finding it difficult to pay her mortgage. She was very aware of the effect each was having on the other, but wished the services could be more linked up too so that her mental health nurse could refer on to practical help with housing.

“I’m having to deal with this (mortgage arrears), whilst navigating my way through a difficult divorce and trying to cope with the financial and emotional consequences of abuse and of losing my kids to their dad.”

Female, Shelter client, currently in arrears, at risk of losing home, homeowner, has children, North East.

Who housing debt affects

Whilst most of the households who found themselves in debt were already struggling with their housing payments, many expressed their surprise at being in the situation. Whether it was because they had savings, were previously in a ‘good’ job or they felt they had a good education and were brought up in the ‘right’ way, it was not something they expected to happen to them.

“I was quite embarrassed and didn’t tell my German family. They wouldn’t understand. I went to a good school and I’m well educated, I didn’t think I would ever be in this position.”

Female, non-Shelter client, previously in arrears, became homeless, previously a social renter, has children, London.

Perhaps previous prejudices about the type of people who get into debt or become homeless led them to think it was not a situation that they could get themselves into, but it was a revelation for them to see just how easily it could happen. For those that became homeless as a result of housing debt, not only was there disbelief that this could happen to them, they also discovered how little there was to help them to stop the situation progressing any further and getting worse.

First points of call

Contact with their landlord or lender

Before missing their first payment, a lot of people contacted their landlord or lender to try to explain and warn them and to maybe negotiate their payments. However, their success at negotiating was incredibly varied and there did not seem to be much consistency.

For some, the landlord or lender was willing to be fairly flexible. This meant either adding their arrears onto their mortgage, if a homeowner, or creating a payment plan with them to pay back the arrears gradually. However, others were less successful at negotiating. Although one person who was going through a difficult time after a violent relationship ended was granted some discretion by her mortgage provider, another whose husband had died and had severe mental and physical health conditions, was taken to court for rent arrears.

Social housing tenants sometimes felt they would be more secure than if they were in the private sector, and those in the private sector i.e. privately renting or a homeowner, equally did not expect their landlord or lender to be accommodating. In reality, although some in social housing felt they would be more secure than if they were in the private sector, in practice they were not treated with any more leniency.

“You would think that a council would be more understanding than a private landlord, but they are just as rude and abrupt and have a lack of understanding”

Male, non-Shelter client, previously in arrears, social renter, has children, London.

Whether the landlord or lender is flexible seemed to be a critical factor in their ability to keep their homes. Some people arranged payment plans with them before getting to the point of going to court, whilst others had to fight for themselves in court and negotiate payment plans or face eviction. This represents quite a large difference with how people were treated and their corresponding response to that.

Landlords and lenders did sometimes attempt to help in some other ways, either by signposting on to advice organisations or informing them of the procedure of what might happen if they could not keep up with the payments. Understanding the process seemed helpful, but homeowners were wary that lenders may have been exaggerating what might happen in order to ‘cover’ themselves, and it might not have been what would necessarily have happened.

Borrowing money

To pay off their arrears, some were able to borrow money from their friends or family. This was usually a cash injection needed in order to get them back on track. This was more likely to lift them completely out of arrears if they suffered an unexpected outgoing but were normally comfortable. However, for those who were already struggling, it helped them slightly in the short-term but tended to leave them still vulnerable to the impact of a further unexpected cost.

Some were able to access funds through charities set up at their work. These were incredibly helpful for them if they had received an unexpected outgoing because it acted as a cash injection to get them back on their feet again. This was all the help they needed if it was not an ongoing issue that had affected their ability to pay their bills in the long-term.

Self-help, informal advice and reducing spending

Many did not know of any organisations available to help them with their housing debt, particularly at the earlier stages and those who were homeowners. When asked, many had sought advice themselves online, or asked friends or family and were not aware of organisations that would help them. However, there was often an expectation that there would be no support to be found from anywhere. A sense of personal responsibility was incredibly strong for some people who saw it was their sole responsibility to find a way out of their situation.

“I didn't think I would have been eligible for support as we were both working... I would have been embarrassed. The idea that I was someone who might need to be housed was a new concept”

Female, non-Shelter client, previously in arrears, not at risk of homelessness, homeowner.

If help was sought by these people it was usually done through self-help or asking for advice from friends and family. The internet was often used for advice, but rather than looking on advice websites from charities they used more consumer-type websites, such as Money Saving Expert and Money Supermarket for comparing loans and bank accounts. They were accessing these websites alone, and without anyone advising them to do so. This was about getting in better control of the money they have rather than knowing more about what support they might be entitled to and what their rights are. However, this could have been a result of them having less severe debt issues, rather than them assuming sole responsibility.

Some individuals talked about getting out of arrears by 'taking control' of the situation: they had previously avoided facing the reality of their situation but the fear of losing their home made them look for ways to be more on top of their finances. This involved searching for low interest loans, using credit cards and shopping around for bank accounts that offered a monetary incentive to switch. This, combined with better monitoring of finances meant they felt they were better able to manage their finances and were in a stronger position to pay their rent or mortgage. However, one person had been badly 'burnt' by this and had used a payday loan company but ended up in much worse debt overall.

"I've consolidated my debts onto one credit card now. He (Martin Lewis-financial journalist) tells me about the bank accounts I should be switching to. He's helped me quite a bit to take control."

Male, non-Shelter client, previously in arrears, not at risk of losing home, homeowner, has children, London.

Reducing spending in other areas in order to prioritise housing payments was one of the first actions made by people. Many had already made drastic cutbacks to their outgoings when they were first concerned about not being able to make their payments and so reducing their spending further required some tough decisions.

Cutting back on heating and food were frequently cited as ways of reducing costs. The use of food banks was mentioned as a way of reducing their spending on food to pay as much towards their rent or mortgage that they could. Many also cut back on what they saw as 'non-essentials', such as socialising, travelling, clothes and presents.

"I haven't had a working boiler for two years now and I rely on food banks to eat so I can put all of my money to paying my mortgage"

Female, Shelter client, currently in arrears, at risk of losing home, homeowner, single, Yorkshire and the Humber.

Some also looked for ways to increase their income. However, this was not a viable option for many as they could not increase their hours or they could not work because they were retired, a single parent or had a physical disability. One parent planned to increase her hours by ten more, when already working 38 hours a week, once her youngest child started school.

People trying to help themselves out of housing debt viewed their housing issues as a matter of personal responsibility and felt it was important to take matters into their own hands. They looked for ways of resolving their issue themselves, or self-serve through internet websites before approaching any organisations for assistance.

Further support

Approaching organisations

If the issue progressed, more support was usually sought, although some continued to try to resolve the issues themselves. They were either referred to by their lender or council or they were already aware of advice organisations that might be able to help them. Sometimes the advice was not new to those seeking help and they felt frustrated that there was not more that could be done. More significant interventions such as liaising with landlords and lenders and representing them in court was sometimes undertaken, as well as applying for Legal Aid to cover the court costs. For those who were not receiving all the benefits they were entitled to, advice organisations were sometimes able to advise and apply for these too on their behalf.

The council was another place approached once they received threats of eviction or repossession by their landlord or lender. They sought advice about what they should do but also often enquired about their eligibility for social housing either when or before they lost their homes. This was often a frustrating experience: advice was often limited to telling them to do nothing until the point at which they were evicted and to stay until the bailiffs arrive. They felt frustrated that the only help given was at the point of crisis and were given little hope of being housed by their council in advance.

"I feel like the whole system is just designed to make people poor and only then will they give a little bit of help"

Female, Shelter client, currently in arrears, at risk of homelessness, homeowner, no children, Yorkshire and the Humber.

When approaching the council at the point of losing their home, the journey did not sound easy. Families were sometimes told the council had no duty to house them and were advised to find accommodation in the private sector. One mother was told that because she had no access to public funds the council had no duty to house her. After going back and forth between many organisations for two days, they eventually acknowledged their duty and housed them in temporary accommodation.

"The support I got from the council was really bad. It feels like they don't know how to approach people. They made me feel like nothing, a small creature, just melting. Not all people like being on benefits, they're just in that situation and they have to take them."

Female, Shelter client, homeless, previously privately renting, has children, South East.

Moving home

Sometimes reducing other spending was enough to get out of their arrears, however, some had to resort to more drastic measures. There were occasions when mortgage payers decided that the best way out of their situation was to sell their home. With no offer of help to house them by the council, they made the difficult decision to sell their home after being taken to court by their lender.

Case study- selling their home

One person re-mortgaged their home after getting into mortgage arrears. However, the very high interest rates meant she could not keep up with the payments. Due to her history of arrears the lender was unwilling to give her a payment holiday or go onto interest only and so she was forced to sell-up after being taken to court.

After re-paying her debts she did not make anything out of the sale of their house, and did not have any money to put down on a new home, even to rent. She couch surfed with her two children for 3-4 months before being re-housed by the council.

For homeowners still in arrears and struggling to pay each month, they knew that selling their home was an action they needed to consider, yet it was not one they took lightly. Concern about negative equity, re-paying debts and the desire for a quick sale left homeowners anxious that selling their home would leave them in a precarious housing and financial situation.

Being left with no money at the end was a big fear because it would leave them with little leverage. Whilst most had accepted that buying again was probably never going to be an

option, they were concerned about affording the initial costs associated with renting, particularly with poor credit ratings.

“I need to decide where I’m going to go next. I’m nervous that my bad credit rating won’t let me to even privately rent. I’m aware that I’ll probably never get back to where I was. I’m back to square one.”

Female, Shelter client, currently in arrears, at risk of losing home, homeowner, single, Yorkshire and the Humber.

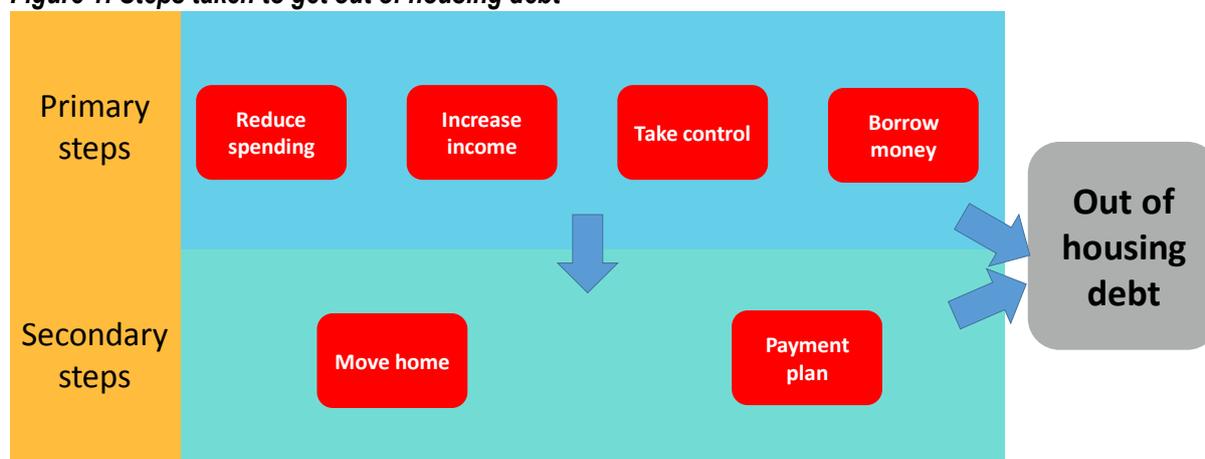
Private renters did not have this type of asset to sell to pay off their arrears. However, one private renter moved back in with his parents to save money and pay off his arrears. He told his landlord that he would be ending the contract early in order to save this money up and paid him back gradually over this period.

Payment plans

Payment plans were set up in order to pay off arrears to their landlord or lender either through mutual agreements or through the courts when the occupant could not afford to pay off the arrears in full.

For those in a relatively stable financial situation but had missed payments due to a large unexpected outgoing, a payment plan was a good solution: they could afford to pay back their arrears when in manageable chunks. However, for those who were constantly struggling and had suffered a financial setback, such as losing their job and were still not earning, this did not seem like a very sustainable solution. Often this meant they fell behind on their payment plans, putting them at serious risk of losing their homes.

Figure 1: Steps taken to get out of housing debt



When arrears cannot be settled

Losing their homes

Several people ended up losing their homes when arrears could not be settled. They had either not been able to keep up with their payment plans, had to sell their homes or were evicted by their private landlord.

Losing their home usually resulted in them being made homeless, unless they found alternative accommodation in time. They presented themselves as homeless to their local council and were either housed in temporary accommodation or had to sofa surf for a number of months. When provided, the accommodation was temporary and was a mixture of hotels and B&Bs, sometimes in areas away from their original location. One family was fortunate enough to be offered social housing on the same day that they were being evicted

by their private landlord for arrears. All of the people we spoke to that were made homeless were part of families with dependent children.

Sometimes they were eventually permanently housed by their local council, but others had to find privately rented accommodation after being told that the council had no duty to house them. For one mother currently homeless, her and her children were living week to week in temporary accommodation, unsure of what the outcome would be for them.

Recurrent housing debt

For those living on a financial knife-edge, continuously being in and out of debt was fairly common. Some months they were able to pay their rent or mortgage and other months they struggled and missed payments. When already struggling each month it did not take much to miss payments.

For those who felt that they were in a more stable position now, they put this down to better finances e.g. a bigger or more stable income, and greater control over their money. They felt that they would not get into the position again now that they were in a more secure position. However, one parent conceded that at Christmas time they would probably default on their rent in order to buy Christmas presents for their children, despite feeling like they had greater control over their income and spending.

"I feel like it's got better as I've got older and taken more control of it. My new partner is good too. He helps me feel like I'm not completely on my own"

Female, currently in arrears, council tenant, has children, Yorkshire and the Humber.

Effective support

Individuals identified several ways in which they had received effective outside support, depending on the severity of their debt.

Lighter touch support such as informing them of their rights and options was not generally seen as effective as they often found that there were few steps that this could lead to next. However, Shelter clients mentioned that when their advisors took on the liaison between the individual and the lender or landlord this was very helpful because it took away their ability to react in an emotionally charged way. Some though, felt that filling in various forms felt futile and the problem required bolder action than this because it was just delaying, what they judged to be, the inevitability of losing their home.

"It felt like you wanted to see something happening, and filling in forms doesn't feel practical when you're at your wits end. Everything was at the last moment."

Female, Shelter client, currently in arrears, previously homeless, previously a homeowner, has children, London.

The knowledge that an organisation was on their side offered emotional support for some. They mentioned that having someone that listened, believed them and took their side was incredibly helpful in itself. People were suffering from the stress of being in arrears and having someone removed from the situation that was able to reassure them about the process was comforting, even if they were not always sure about what practical support could be gained.

Sometimes advice organisations identified that the cause of the person's housing costs being unaffordable was due to them not taking the full advantage of the benefits available to

them. They applied for these benefits on their behalf which meant they had more money with which to pay their housing costs with. This very tangible and immediate help to increase their income was recognised by those affected and this seemed to give them a sustainable way of getting out of their housing arrears.

For those who had been taken to court for their arrears, effective support seemed to occur when there was another organisation that helped to represent them and understand the process and in some cases, apply and use Legal Aid. This meant that they could make sure that any payment plan put in place was affordable for their client and Legal Aid covered the court costs. When not helped by an outside organisation directly in court there were examples of when the person was put on payment plans that were unaffordable to them and ended up defaulting and losing their home. Legal Aid was mentioned by many people, but their ability to access it was very varied as eligibility is restricted.

Cash injections from friends, family and work charities were sometimes used. Charities set up through their workplace were able to write off debts for their employees. Whilst those who were struggling anyway were not able to see themselves into financial security through cash injections, those who had suffered an unexpected outgoing but were normally comfortable, were able to get out of housing arrears and this seemed to be an effective solution for them.

One mother living on a low income with three children had previously been helped by a charity to consolidate all of her payments. Although she found this helpful at first, it meant that if there were any other outgoings that month that were not factored in she could not use any money for them. She ended up cancelling the direct debits to give her flexibility and so this ultimately was not a very effective arrangement for her.

One person having trouble with mental health issues felt that there should be more out there that links the issues of mental health and housing better together. There is obviously a cyclical effect on each issue and whilst she had been to see nurses about her health and advisers about her housing situation, none had identified the link between the two to help her better.

Seeking advice earlier

There were several barriers people identified to seeking advice earlier. The first is a lack of awareness that Shelter, or any other organisations, are available for help with these types of issues. They felt that if they were just aware of the organisations' ability to help people with their finances and to help them at an early stage they would then be far more likely to approach them at this point.

"Just knowing about Shelter sooner - I didn't know about Shelter when I was first made redundant or got into arrears, had I known I would have come to Shelter straight away. I wish I had."

Male, Shelter client, currently in arrears, at risk of homelessness, homeowner, London.

Related to this is the barrier of certain charities perceived as being for vulnerable people and not for people like them. This perception leads them to think that they are there for when someone is in a crisis and not the early stage. It also relates to the strong sense of personal responsibility people have surrounding their finances and therefore do not think there would be an organisation out there for this.

"[You should] market in a way that emphasises the wide range of services and advice available to those struggling with mortgage payments, to help

break the miss-held view that homeless and housing charities are just there for those who are homeless or in a severe crisis.”

Female, non-Shelter client, previously in arrears, was at risk of losing home, homeowner, Yorkshire and the Humber.

There was also a concern from some people that if they contacted a charity when they were not at crisis point they would be using up a charity's resources and potentially taking away help from people who were. This is a barrier to seeking help earlier if they do not identify as being in need of help from a charity, compared with other people, until a later point.

There is also a potential impediment if people do not seek support early because they are too optimistic about their situation. It is only at the point of facing the reality of their situation further down the line, possibly when they have exhausted other options available to them that they think about contacting an organisation such as Shelter. It is therefore important to educate people about where their situation could lead and the importance of seeking advice early.

Findings: The impact of housing debt

Key Findings

The stress of being in housing debt had the ability to completely consume people with worry. They felt that **constant stress** about their situation contributed to, in some cases, **high blood pressure, depression, inability to sleep, strokes and panic attacks**.

The effect of reducing their outgoings over a long period of time, was a concern about their overall **quality of life**. Reducing outgoings on food and heating were some of the more drastic actions people took to relieve their housing debt.

Being in housing debt often meant being in **other types of debt** too, sometimes as a result of prioritising rent or mortgage payments. This only added another element of stress until they were able to pay them all back fully.

Financially, people were also worried about their **credit ratings** as an effect of being in debt, which could impact their ability to move on from their current home to find somewhere new. Depending on whether they had been able to pay back pre-existing bills, credit ratings could also help or hinder their ability to pay off their arrears too.

One of the more positive outcomes of being in debt was their desire to stay out of debt and be in **better control of their finances**; something they hoped they would inform their children about too.

Relationships were often strained as a result of worry about housing debt. For those with partners this was particularly the case when secrets were being kept. Friendships were affected too as a result of not socialising or when they borrowed money. The shame associated with debt led some to avoid telling friends the truth.

Parents tried hard to **hide their worries from their children**. They tried to shield them from the possible realities of not being able to afford their housing costs but the children were made more aware of their general financial difficulties.

When living in **temporary accommodation**, children were experiencing the full effects of losing their homes due to arrears. Parents could be forced to make the difficult decision between moving their child's school, or making the long commute with no knowledge of where they would be moved to next. Their **sleep** became affected with long commutes and living in one room together and their **education** was interrupted if forced to move schools. A lack of sleep was also thought to affect the children with reports of them falling asleep at school. There were also **psychological effects** parents identified as a result of not knowing where they would be moved to next.

Mental and physical health

Overwhelmingly, people spoke about the housing debt's ability to completely consume them with worry. Not being able to afford their rent or mortgage was extremely stressful and constantly on their minds. Until the day they paid off their arrears the worry and stress hung over them and impacted in lots of other areas of their lives.

"It's very stressful. You don't know what's happening or where you're going." Female, previously in arrears, previously homeless, previously privately renting, has children, London.

Constant stress and worry led, in some cases, to other health conditions. These were sometimes quite serious health implications that people felt were being caused due to their stress levels about their housing situation. High blood pressure, depression, sleeplessness, strokes and panic attacks were all mentioned by people as effects of their situation.

"It's just stress really. I'm on anti-anxiety tablets now and get panic attacks. It feels like I'm being buried."

Female, currently in arrears, council tenant, has children, Yorkshire and the Humber.

Case study- the impact of stress

One person felt that the stress of not being able to afford her rent directly led to the stroke that she had last Christmas. She was concerned about being able to afford her rent and felt guilty about not being able to buy her family 'proper' Christmas presents.

"I didn't want to seem like a Scrooge and not get people presents, I did manage to get them small things though. I knew I had to pay the rent but I felt bad not being able to buy the presents I'd wanted to"

Female, currently in arrears, council tenant, no children, North West.

Some felt guilty about being in housing debt. For some, this was directed towards their children because they felt they were not fulfilling their parental duties to provide for them. For others, it was directed to whoever they were in debt with and it was shameful for them because they recognised debt to be a very negative thing.

"Oh, I felt so guilty, I felt so bad. I've never been in debt in me [sic] life. I felt awful about it."

Female, currently in arrears, council tenant, no children, North West.

Quality of life

There were many things that people had to cut back on in order to bring their finances under better control. Although some of these were seen more as 'luxuries', regularly making these cutbacks left the families, in particular, upset that they could not afford to offer these things to their children, particularly when comparing themselves with other families.

"He (his son) ends up going round to his friends a lot too to play games because he doesn't have any of the consoles. We can't offer other parents the same thing for their children. Sometimes they even fork out dinner for him at KFC or McDonalds. I just feel guilty because it's not like other kids can come to ours to play games and be fed."

Male, non-Shelter client, previously in arrears, not at risk of homelessness, homeowner, has children, London.

In order to cut back on spending, some people went to more extreme lengths by reducing spending on food and heating. Although they did not express what the direct effect of cutting back on these types of outgoing has been, they were keen to point out that they were doing all they felt was possible to cut back on their spending.

Impact on ability to pay other bills

Not affording their rent or mortgage was usually only half the story. Often they were also struggling to afford lots of other outgoings: energy bills, water bills, council tax and other types of bills were due to be paid and they were left with some difficult decisions to make.

The consequence was that they were often in arrears with their other bills too. If they had been able to pay off their rent or mortgage arrears they also had to pay back their other bills and this could take a long time, particularly if they were on payment plans. Being in any kind of debt was stressful for people, and so they were not reassured until they had paid off all of their debts.

Effects on credit

Being in debt can have a negative impact on someone's credit rating. Some people were worried that this will affect them when they try to buy or rent a new home. This was extremely concerning for them because not only might they be forced to find a new home because of arrears, they were also worried they would not be able to access a new home because of arrears.

*"I'm nervous that my bad credit rating won't let me to even privately rent.
I'm aware that I'll probably never get back to where I was."*

Female, Shelter client, currently in arrears, at risk of losing home, homeowner, single, Yorkshire and the Humber.

Additionally, credit ratings could help or hinder their ability to pay off arrears. Good credit ratings meant that some people were able to get low-interest loans or take out credit cards with which to pay off their debts by consolidating them. However, bad credit ratings meant that access to credit for some was not even possible and so they were not able to use any leverage to pay off their debts.

*"I've never had any credit. And because I've not had credit, I can't get it.
I've got no credit cards, no overdraft so I've basically just got what I've got... I tried to and I've been refused on the grounds that I've got a bad credit history because I've got no credit"*

Female, non-Shelter client, currently in arrears, not at risk of homelessness, social renter, has children, Yorkshire and the Humber.

However, one person found that when building up debts on credit cards and then paying them off this had a positive effect on their ability to get more credit. He reflected that credit card companies were making money from him doing this and so were more receptive to him when applying for more credit. This is obviously a potentially dangerous way to deal with debt because payments can be expensive and not keeping up with repayments can have further consequences.

Managing their finances

One positive for people that came out of being in arrears was their greater awareness of finances. They felt this helped them to manage their finances better because they were keen to learn from any mistakes they felt they had made and wanted to avoid getting into arrears again.

"I learnt my lesson from missing that first payment. I make sure I prioritise this now. It's so important to keep your house when you've got kids"

Male, non-Shelter client, previously in arrears, not at risk of homelessness, homeowner, has children, London.

Those with children also hoped that the experience would leave an impression on them about how to manage money better and the importance of prioritising certain spending. Although the children were not always aware of the severity of the debt, they were usually aware of the family being stretched financially.

"I feel like it taught her (her daughter) a lesson though. She wants to go to uni and doesn't want to be on benefits again."

Female, non-Shelter client, previously in arrears, became homeless, social renter, has children, London.

Relationships

The worry of trying to pay their rent or mortgage often put strains on relationships. Those with partners reported arguing with them about money, which put pressure on their relationships. Often the tension came from when one partner tried to shield the other about the extent of the issue.

"We argue (him and his wife) quite a lot. I feel sorry for her though, it's not her fault. She doesn't understand the full extent of the problem"

Male, non-Shelter client, previously in arrears, not at risk of homelessness, homeowner, has children, London.

One person reported that her partner had hidden that they were in rent arrears. She did not discover it until the point at which she was being taken to court by her council and he was absent at this time, due to being in rehabilitation himself. This shock resulted in their relationship breaking down over this period.

"It felt like I was failing really badly and I really started to hate my partner for putting us in that situation."

Female, non-Shelter client, previously in arrears, became homeless, social renter, has children, London.

For some, needing to borrow money put a strain on relationships with their family or friends. Sometimes this was because failure to pay them back put their friends or family in financial difficulty too. It was also a sensitive and embarrassing topic to discuss with friends and family and borrowing money from them sometimes changed the dynamic of their relationships.

"I had a guarantor, who was a member of the family, and basically she had to take the flak of my rent arrears so that has caused serious disagreements."

Female, Shelter client, currently in arrears, became homeless, previously a homeowner, has children, London.

Not having much disposable income meant that a lot of people stopped socialising with their friends, which often revolves around going out and spending money. However, they also often hid the reasons behind this and did not want to admit to them that it was because they were having financial difficulties.

There is a lot of shame and stigma associated with being in debt. Related to a feeling of personal responsibility, people felt ashamed that they had got themselves in this situation and often blamed themselves. This meant that they often did not share what was going on with friends or family and did not seek help at an early point.

"I felt too proud to tell anyone but looking back this was maybe the worst thing I could have done. If I'd told my parents they probably would have helped me out but at the time I'd rather have credit cards than tell them."

Male, non-Shelter client, previously in arrears, not at risk of homelessness, private renter, Yorkshire and the Humber.

Impact on children

Awareness of housing debt

Most noticeable was parents' attempts to shield their children from the reality of their debt severity. Keen to prevent them from worrying about the situation and potentially causing more psychological harm with worry, parents did not tell their children the whole truth of their situation and the extent to which they were in trouble.

"I don't want to put it on them. It's not their responsibility. I've hidden them from a lot of things"

Female, non-Shelter client, currently in arrears, social renter, not at risk of homelessness, has children, Yorkshire and the Humber.

However, parents often did impress upon their children that they were stretched financially, which is why they had to be careful with money and had to deny them a number of things they were being asked for. This varied from not going on holidays or having takeaways to being cautious about school trips and days out during the holidays. Sometimes the children understood that they could not expect these things from their parents and had stopped asking their parents for them.

"They don't really know what's going on. They know I've not got much money because we've not been on holiday together for years but there's only so much I can do."

Male, Shelter client, currently in arrears, social renter, at risk of homelessness, has children, North West.

Therefore, from attempting to shield their children, the parents hoped it had not impacted on them too much. It was even hoped that it may have had a positive effect because they have learnt lessons on how to be more careful with money or because they had learnt that money was not the only important thing in their lives.

"I'd prefer her to grow up knowing money's not everything"

Male, non-Shelter client, previously in arrears, social renter, at risk of homelessness, has children, London.

There were times though when it became difficult to shield their children from what was going on because it was having a direct impact on their lives. In the more extreme examples where the families were facing or were on the brink of homelessness, it was no longer possible to keep their situations from the children.

"At first, I tried to hide it from them (his children) but it became apparent when I was losing my temper, I was drinking a lot more than I would have, I wouldn't come out of the room"

Male, Shelter client, previously in arrears, previously privately renting, lost home, has children, East Midlands.

Living in temporary accommodation

Living in temporary accommodation had some of the most profound impacts on children, according to their parents. There were a few examples of families living in temporary accommodation as a result of losing their homes after falling into arrears.

When they were placed in temporary accommodation by the council, the families were usually left there not knowing what was happening next. They had been moved away from their local area meaning they were left with the choice of moving schools, but unsure of how long they would be in that area for, or making the long commute each day, but in the hope that it would not be for a long time.

These long commutes affected the children's sleep because it left little time to have dinner and do their homework before bed time. Some parents reported that they began struggling in school to stay awake and pay attention, which sometimes resulted in them falling behind.

"We had to wake up at 5am to get to school on time and they (the children) would always get back to their rooms late at night and because my daughter would have lots of homework they would end up going to bed after midnight. This made them really sleepy."

Female, Shelter client, homeless, previously privately renting, has children, South East.

Sometimes the children's behaviour was also affected. One mother reported her daughter acting up whilst they were living in temporary B&B accommodation. She was getting into trouble at school and was caught shoplifting too. The mother attributed this to living in temporary accommodation because she used to be a 'straight A' student and she had only been getting into trouble since moving there.

"I noticed a big change in my daughter's behaviour. She was getting into trouble a lot and acting up. She shoplifted whilst we were in the B&B."

Female, non-Shelter client, previously homeless, previously social renting, has children, London.

Living in temporary accommodation can mean the family living in one room together and sharing kitchen and bathroom facilities with other people living there. This can be very disruptive for sleep. For one family living in one room together this means that when the children are different ages and have different sleeping patterns either the older children had to go to bed early when not ready to sleep or the younger children have to stay up later. With no space to segregate different household activities, for example a living room and a bedroom, normal family life became affected.

"We all sleep in one room. I share a bed with the 3 year old and the other two share a bed. It's hard for them because they can't play and shout about, so I make them read books. There aren't many things to play with."

Female, Shelter client, homeless, previously privately renting, has children, South East.

Parents were also worried about the emotional and psychological effect living in temporary accommodation was having on their children. Parents reported a wide range of effects from not eating properly and health complaints as a result of housing insecurity. One parent of an older child was concerned after her daughter revealed after they moved out that she had been scared of being in the corridors of their B&B with a lot of single older men around.

"We didn't talk about it for a while but now she's older she's talking about how she felt scared when she was in the corridors of the B&B with all the men around."

Female, non-Shelter client, previously homeless, previously social renting, has children, London.

Case study- impact of living in temporary accommodation on children

One mother reported that all of her children had given her cause for concern since being moved into temporary accommodation. She reported that her three year old's diet had completely changed and they were now only drinking and not eating solids. Since being made homeless, her three year old daughter was now the size of a one year old when previously she considered her to be a 'big' baby for her age.

Her son had been complaining at school of having headaches and stomach aches so she took

him to see the GP, who said it was probably caused by stress. Since moving back to their area he has not complained of any since.

Her older daughter would also cry all the time because of the situation. She feels that her children worry about whether they will have a house again and if they will be able to stay in the same area.

There was also a concern that their education would be negatively affected. Parents, aware of its potential to harm their studies, usually alerted the schools to this but fatigue at school was a common complaint. One parent reported her daughter was doing her GCSEs but had to change schools twice because their accommodation was too far for her to travel. She was almost kept back a year at school, despite previously being a 'straight-A' student, but after receiving extra help she managed to convince them that she would be able to catch up.

Conclusion

This report has shown the complexities involved of getting in and out of housing debt, yet also the ease by which this can happen. The people we spoke to tried hard to get themselves out of housing debt and when this failed it sometimes had devastating consequences, the most extreme being homelessness, which had profound effects on their lives.

Without proper support it is too easy at the moment for people to go from struggling to pay their housing payments to losing their homes. In order to reach more people early, Shelter needs to ensure the barriers, of unawareness of services and people not identifying their problem with these services, are broken down for the people struggling to pay their rent or mortgage.

Appendix A: List of issues Shelter clients selected based on

Shelter clients were recruited based on their 'presenting problem'. Presenting problem is what Shelter advisors code the client's problem to from a pre-coded list. More than one presenting problem can be selected for each client.

The following presenting problems were selected to contact:

- rents arrears;
- mortgage arrears;
- eviction: mortgage arrears;
- eviction: rent arrears;
- possession action: mortgage arrears;
- possession action: rent arrears; and,
- priority debt (e.g. mortgage, rent, council tax).

Appendix B: Script for calling clients

Hello, is that <their name>?

My name is <your name> and I'm calling from Shelter, the housing and homelessness charity.

According to our records you spoke to an advisor from Shelter <this year/ in the past few years>. Is this correct?

<If remember using the service but not sure when please still proceed.>

And was your issue related to being able to pay your rent or mortgage at all?

<if no= thank and close>

<if yes= proceed>

We are currently conducting some research to understand people's experiences of paying their housing bills and what help may or may not have helped them. It involves talking to a member of our research team on the phone for between 45 minutes and an hour about your experiences and the impact it may have had on you. To say thank you for your time we'd like to offer you a £40 Love2Shop voucher. Would this be something you'd be interested in taking part in?

<If no> thank you very much for your time.

<If yes> thank you very much. Can I just ask a couple of questions to make sure you're the right fit for the study?

Q1. Some people can easily afford to pay their main outgoings, others find it more difficult to pay. Thinking about your current situation, in general, how easy or difficult is it for you to pay for your rent/ mortgage?

I/ we are keeping up without any difficulty <ask about last 3 years>
I/ we are keeping up, but struggle from time to time <ask about last 3 years>
I/ we are keeping up, but it is a constant struggle <ask about last 3 years>
I/ we are falling behind with payments <please proceed>
Don't know <thank and close>
Not applicable - I don't pay mortgage or rent <ask about last 3 years>

<ask if instructed at Q1> Q2. And thinking about in the last three years, in general, how easy or difficult was it for you to pay your rent/mortgage in the past?

I/ we were keeping up without any difficulty <thank and close>
I/ we were keeping up, but were struggling from time to time <thank and close>
I/ we were keeping up, but it was a constant struggle <thank and close>
I/ we were falling behind with payments <please proceed>
Don't know <thank and close>
Not applicable - I didn't pay mortgage or rent <thank and close>

<ask if are or were falling behind with payments> Q3. Which of the following statements is or was most relevant to you?

- I/we are/were not at risk of becoming homeless
- I/we are/were at risk of becoming homeless
- I/we are/were currently homeless

<ask the following if not listed in the sample> Region/ Household type/ Tenure

We'd like to talk to you in the next couple of weeks (2nd-13th November), is there a particular date that works for you then? <Consult interview availability spreadsheet and suggest date and time>

Thank and close.

Appendix C: MRFGR Screener for non-Shelter clients

1) Do you or any member of your immediate family work or have worked in any of the following occupations?

- a. A market research or marketing company **[Screen out]**
- b. An advertising or PR Agency or Brand Design **[Screen out]**
- c. Journalism/media **[Screen out]**
- d. Housing department at a Council or a Housing Association **[Screen out]**
- e. Property Development **[Screen out]**
- f. Estate Agent **[Screen out]**
- g. Landlord **[Screen out]**
- h. None of these apply

2) Have you attended a market research group/interview in the past 6 months?

- a. Yes **[Go to Question 3]**
- b. No **[Go to Question 4]**

3) What was the market research regarding? **[Screen out if similar research]**

4) Please select your gender. **[Ensure good mix]**

- a. Male
- b. Female

5) What is your current age?

6) What is your current employment status?

- a. Working full-time
- b. Working part-time
- c. Self employed
- d. Student
- e. Stay-at-home parent
- f. Retired
- g. Unemployed

7) Some people can easily afford to pay their main outgoings; others find it more difficult to pay. Thinking about your current situation, in general, how easy or difficult is it for you to pay for your rent/ mortgage? **[Minimum of 5 currently struggling]**

- a. I/we are keeping up without any difficulty **[Go to question 9]**
- b. I/we are keeping up, but struggle from time to time **[Go to question 9]**
- c. I/we are keeping up, but it is a constant struggle **[Go to question 9]**
- d. I/we are falling behind with payments
- e. Don't know **[Screen out]**
- f. I/we do not pay mortgage or rent **[Screen out]**

8) Which of the following statements is most relevant to you?

- a. I/we are not at risk of becoming homeless **[max:2]**
- b. I/we are at risk of becoming homeless **[min:2]**

c. I/we are currently homeless **[min:1]**

9) With regards to the past 3 years only, in general, how easy or difficult was it for you to pay your rent/mortgage in the past? **[Only show if 7 = a] [Maximum of 7 having previously struggled]**

- a. In the past, I/we have kept up without any difficulty **[Screen out]**
- b. I/we kept up, but did struggle from time to time in the past **[Screen out]**
- c. I/we kept up, but it was a constant struggle in the past **[Screen out]**
- d. In the past, we have fallen behind with our payments
- e. Don't know **[Screen out]**

10) Which of the following statements is most relevant to you? **[Only show if 7 = a]**

- a. In the past, I/we were not at risk of becoming homeless **[max:2]**
- b. In the past, I/we have been at risk of becoming homeless **[min:2]**
- c. In the past, I/we have become homeless **[min:1]**

11) Which of the following statements describes your situation when you first struggled to pay your mortgage/rent?

- a. Living with my parents/other relatives and do not make rent/mortgage payments
- b. Living in supported housing
- c. Not having a permanent place of residence
- d. Renting my home from the council, a housing association or similar
- e. Renting my home from a private landlord (privately rented) **[max: 7]**
- f. Owning my home with a mortgage **[min: 4]**
- g. Owning my home outright (without a mortgage) **[Screen out]**

12) Which of the following statements best describes you when you first struggled to pay back your mortgage or rent?

- a. Living with my partner
- b. Living with my family **[min: 5]**
- c. Living on my own
- d. Other (Please State)

13) Where are you currently located? **[Ensure as good a spread across England as possible]**

14) Please enter your contact details below

Appendix D: Discussion Guide

Overall Aim:

To understand the journeys that people go through when they are in housing debt, the impact this has on their lives and the type of help sought.

Objectives:

- To understand the journey points that someone goes through when they are in housing debt
- To understand the immediate and long-term financial, social and emotional impacts of housing debt on their lives
- To understand if, when and why they sought advice and support from Shelter and what helped them and what messaging might encourage them in the future to seek advice
- To understand if and how they got out of housing debt and what further support may be needed

Topic	Objectives	Questions	Timings
Introduction		<ul style="list-style-type: none"> • Thank for agreeing to take part • Name and working for/on behalf of Shelter, the housing and homelessness charity • Explain what we're discussing: <i>We're going to be talking about your housing situation in recent years and any issues you may have had around meeting your rent/mortgage payments</i> • Informal discussion not Q&A; don't have to answer anything they don't want to • Confidential and anonymous. Permission to record • Ask them to introduce self with: Name, age, where they live 	5 minutes
Opener	To understand history of housing debt	<p>Can you tell me a bit about your experience of not being able to meet your mortgage/ rent payments?</p> <ul style="list-style-type: none"> • When were you first struggling? • What do you think led to you falling behind with your payments? • What did you do when you realised you wouldn't be able to pay your rent/ mortgage? 	15 minutes
Journey	To understand the severity and journey points of being in housing debt	<p>Could you tell me a bit about what happened after you weren't able to meet your mortgage/ rent payments?</p> <ul style="list-style-type: none"> • How long were you not able to meet your payments for? • Did you consider that you might lose your home at any point?/ Did you lose your home? Were you threatened by anyone that you might lose your home? • Who did you turn to, if anyone, for help or support over this period? • Did your situation improve/ get worse at all? Why was this? • What is your current situation? 	20 minutes

<p>Impact</p>	<p>Impact of housing debt on them/ their family</p>	<p>What other things in your, or your family's life, were impacted from struggling to pay your rent/mortgage?</p> <ul style="list-style-type: none"> • At the time/ Now <ul style="list-style-type: none"> ○ How they managed their money ○ Relationships ○ Health ○ Work ○ Other <p>What was going on in your life, or your family's life, around this time?</p> <ul style="list-style-type: none"> • Work/ relationships/ health/ finances/ other • Long-term impacts- as above • If they have children <ul style="list-style-type: none"> ○ Are they aware of situation? ○ What do they perceive impact to be on them? 	<p>10 minutes</p>
<p>Advice</p>	<p>To understand what sort of advice/ help was needed and when</p>	<p>Did you approach any organisations to help you through this, either for advice or for more intensive support?</p> <ul style="list-style-type: none"> • If yes- <ul style="list-style-type: none"> ○ Who? How did you know to approach them? ○ What sort of support was given? ○ How effective do you think this support was? ○ Was there anything else they could have done to help you? • If no- <ul style="list-style-type: none"> ○ Were you aware of anyone you could talk to about your issues that could help you? ○ Was there anything that would have encouraged you to seek support from an organisation?/ Was there anything that put them off? ○ Aware of Shelter's services? • Would you go on any websites for advice first? • Explain: We'd like to encourage more people to come to us for advice early. What would/ would have encourage(d) you to do this: <ul style="list-style-type: none"> ○ Option a: Get advice early and keep your home ○ Option b: If you're counting down til payday, check out our advice. 	<p>5 minutes</p>
<p>Thank and close</p>		<p>Thank you for talking with me. What are your hopes for the future and your housing situation?</p> <ul style="list-style-type: none"> • If a Shelter client- If want to talk to someone further about their case, please try to get as much info as possible and ensure they would like their details referred back to an advisor. 	<p>5 minutes</p>

		<ul style="list-style-type: none">○ If worried about an immediate danger to their or another family member's welfare then please immediately refer back to the service and tell them you are doing so.● If not a Shelter client- Give website (http://england.shelter.org.uk/get_advice) and helpline number (0808 800 4444) if want advice on housing issues discussed<ul style="list-style-type: none">○ If you are worried about an immediate danger to their or another family member's welfare then please contact the social care department at their local authority and tell them you are doing so.● £40 Love2Shop voucher as an incentive will be posted● Collect postal address● Willing to be case study- member of Media team will contact them and collect details about them to use in our Media stories.<ul style="list-style-type: none">○ Collect email address if willing	
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