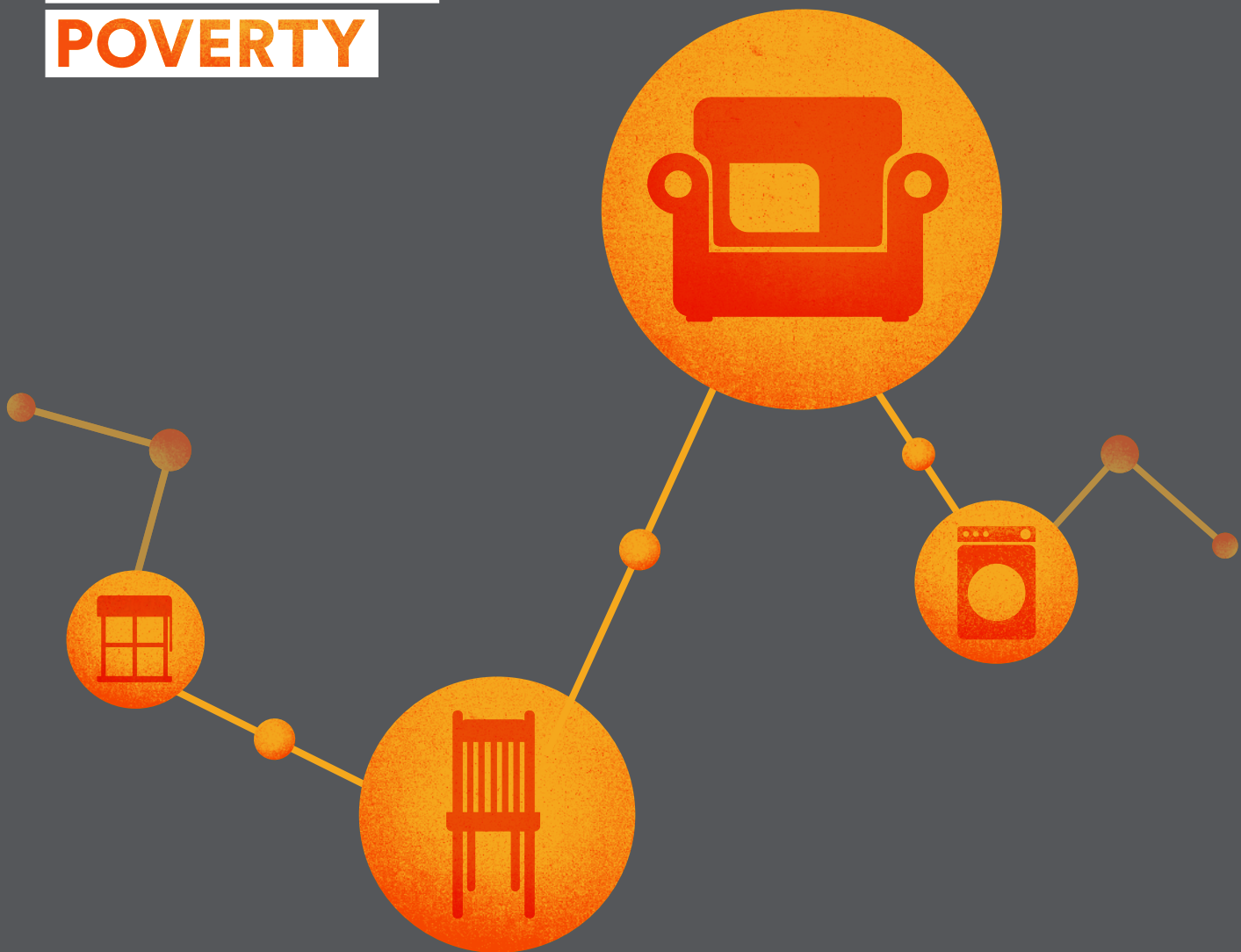


**END  
FURNITURE  
POVERTY**



# Cost Benefit Analysis of Local Welfare Assistance and Furnished Tenancies

Published November 2024



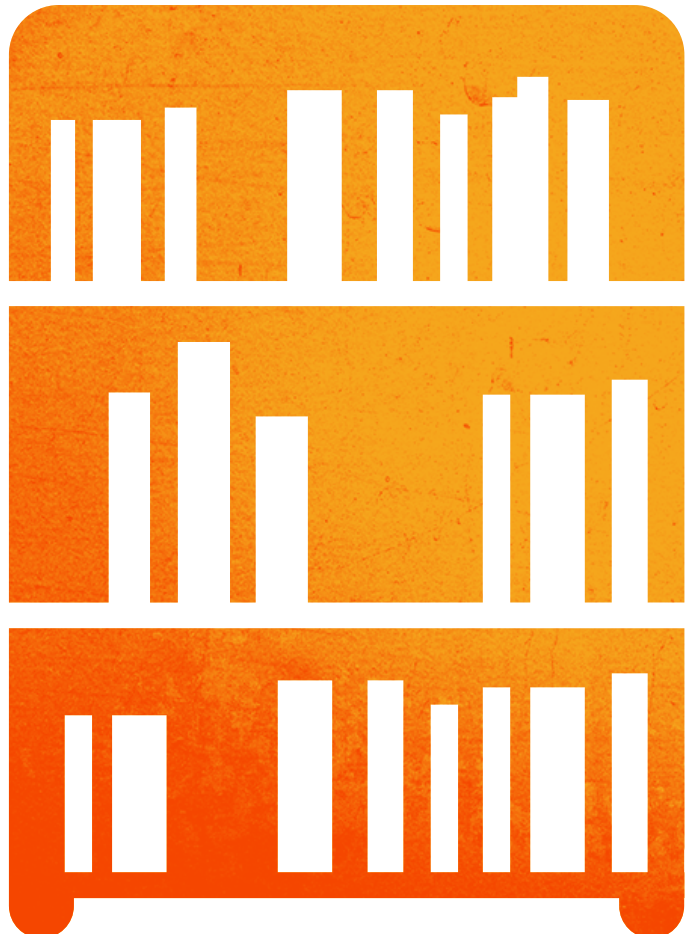
JOINTLY OWNED BY



---

# CONTENTS

<b>3</b>	<b>Foreword</b>
<b>5</b>	<b>Partners</b>
<b>7</b>	<b>Executive Summary</b>
<b>9</b>	<b>1 Introduction</b>
10	1.1 Background
11	1.2 Methodology
11	1.3 A Note On Data
<b>13</b>	<b>2 The Cost Benefit Analysis</b>
14	2.1 Introduction
14	2.2 Local Welfare Assistance
17	2.3 Furnished Tenancies
19	2.4 EFP's Furniture Flex offer
19	2.5 Broader additional benefits
<b>21</b>	<b>3 Results And Conclusions</b>
22	3.1 Introduction
22	3.2 Local Welfare Assistance
23	3.3 Furnished Tenancies
23	3.4 Broader Additional Benefits
23	3.5 Conclusions
<b>24</b>	<b>Appendix 1 – Benefits Calculations</b>
<b>26</b>	<b>Bibliography</b>



---

# FOREWORD

Furniture Poverty hides behind millions of front doors across the UK as families struggle to survive without essential furniture items, appliances, floor and window coverings.

At least 9% of the UK population live in furniture poverty and over a million people live in 'deep furniture poverty', without three or more items.

At End Furniture Poverty we focus on robust evidence-based research to substantiate our calls for change. We know that only 2% of social homes are currently let as furnished, compared to 29% in the private rental sector and that at least 26% of social housing tenants live in furniture poverty. We also know from our annual Local Welfare Assistance reports that people face a postcode lottery, with 36 local authorities in England without a scheme, and others woefully underfunded. While the Household Support Fund has helped people with food and fuel, very little of it was used for furniture and appliances.

We know that furniture poverty has a devastating and wide-reaching impact on many areas of people's lives. It affects their physical and mental health, and their social and financial wellbeing.

There are significant pressures on the public purse, but lifting people out of furniture poverty is not only the right thing to do, this report proves that it also makes good fiscal sense.

We believe at least 10% of social homes should be provided as furnished. This report is able to highlight some specific benefits for landlords based on the data gathered for this project, but we had additional data that proves further financial benefits for landlords, with reduced rental arrears and void costs, and increased tenancy sustainability.

We have developed a new way for social landlords to procure furniture and appliances, Furniture Flex, which overcomes all of the barriers that landlords have told us they face, with rental options which require no capital costs, flexibility for tenants to return items, and increased administrative support.

Furnished tenancies help people to avoid furniture poverty and while more landlords are introducing new schemes, we need legislation to ensure they are provided to every social housing tenant.

---

Local welfare provision alleviates furniture poverty for people in a crisis situation and should be available to everyone, wherever you live. Local authorities need sufficient Government funding to deliver local authority discretionary crisis support and it should be made a statutory service.

People need homes, not empty boxes. People fleeing domestic abuse, coming from homelessness, or moving out of temporary accommodation have nothing and need help to set up a sustainable home.

The third sector cannot tackle furniture poverty alone. We need local authorities and social landlords to play their part, and the Government to adequately support them with funding and legislation.

### **Together we can End Furniture Poverty**

**Claire Donovan,**

Head of Policy, Research & Campaigns, End Furniture Poverty



---

# PARTNERS

We are grateful to our partners in this project: Liverpool City Council, North Tyneside Council, Cambridgeshire County Council and Onward Homes, who generously shared their time and data for the modelling process. We would also like to thank Stockport Homes for their support. These organisations have demonstrated that they are committed to ending furniture poverty, we hope more local authorities and social landlords are inspired by the findings in this report to follow their example.



**North Tyneside  
Council**

## **North Tyneside Council:**

North Tyneside Council Housing Service has operated a furnished tenancy scheme since 1996. All new North Tyneside Council tenants are eligible to apply for the scheme when they sign up for their tenancy. During the allocations process a needs and affordability assessment is undertaken with the prospective tenant to identify any ongoing support needs and to ensure that those who opt for a furniture pack are doing so because it is the best option for them and that they will be able to afford to pay the weekly service charge.



## **Cambridge Housing Society:**

Cambridge Housing Society (CHS) is an independent housing association. We are one of only two independent housing associations working just in Cambridgeshire and we are the only one to offer a blend of affordable rented homes, specialist supported housing and a range of community support services. CHS delivers the Cambridgeshire Local Assistance Scheme (CLAS) on behalf of Cambridgeshire County Council, working in partnership with Cambridge and District Citizens Advice, Citizens Advice Rural Cambridgeshire, Cambridge Re-use, and CCORRN. CLAS provides a safety net for people experiencing hardship, as it can provide them with emergency assistance, advice, and referrals to other specialist services.

---

# Onward

## **Onward Homes:**

Onward is one of the largest housing associations based solely in the North West, with around 35,000 homes across Greater Manchester, Merseyside and Lancashire. Our Corporate Plan sets out how we will make The Onward Difference by enabling customers to be their best, in homes they love, and places they are proud of and by working with partners to go beyond housing and invent new ways to do more.



## **Liverpool City Council:**

Liverpool City Council is led by our values and the values of this City to support all our citizens through the cost of living crisis and to fight the causes of poverty. We are committed to through our Council plan and in the delivery of all Council services, to support those most in need and minimise the root causes of adult and child poverty, ensuring basic needs are met by focussing on food, fuel and digital access. We work in collaboration with the residents and the voluntary, community, faith and social enterprise sector partners. We know that a prosperous and successful Liverpool is one which works for all its citizens and where everybody is empowered to reach their full potential and participate in our economy and community.



---

# EXECUTIVE SUMMARY

End Furniture Poverty commissioned Local Partnerships to develop cost benefit analyses (CBA) for Local Welfare Assistance (LWA) schemes run by local authorities and furnished tenancies operated by social landlords. They wished to test the hypothesis that both of these schemes provide benefit to recipients and the public purse.

## Local Welfare Assistance

Local Partnerships worked with two councils operating LWA schemes, Cambridgeshire County Council and Liverpool City Council. These schemes include a range of support for people in financial difficulties including allocation of furniture, food and fuel vouchers, income maximisation, debt relief and employment and training support. The funding for these schemes comes from a combination of central and local government funds and, in the case of Cambridgeshire, additional money from fund raising.

Benefits were estimated for the local authorities, by reduced demand for their services, and the broader public purse, by further reduced demand for other public services such as health (NHS), criminal justice and benefits (DWP).

The cost benefit ratios were calculated as follows.

LWA scheme	Local authority ratio	Wider public purse ratio
Cambridgeshire	£1 cost gives £12.90 benefit	£1 cost gives to £16.50 benefit
Liverpool	£1 cost gives £9.70 benefit	£1 cost gives £14.20 benefit

Both areas demonstrate strongly positive benefits for local authorities and the wider public purse.

## Furnished tenancies

North Tyneside Council and Onward Homes worked with Local Partnerships to develop CBA models for their furnished tenancy schemes.

North Tyneside Council operates a furnished tenancy scheme for new eligible tenants, who pay a service charge over 5 years to fund the costs incurred in sourcing furniture and managing the scheme. Tenants can then decide to extend their furnished tenancies if required. Options for furniture packages are offered according to need and size of property.

Onward Homes operate a gifted furnished tenancy scheme for new vulnerable tenants, where similar packages of furniture are offered alongside tenancy sustainment and income maximisation for tenants in financial difficulties.

The organisations provided data showing that both terminations and rent arrears were reduced in the furnished tenancy cohort when compared to non-furnished tenancies, delivering financial savings to the landlord. In addition, personal improvements to wellbeing were modelled for tenants, along with the financial benefit of having the furniture allocated.

For the wider public purse improvements in tenancy sustainment were used to estimate the broader economic value of maintaining more social tenancies.

The cost benefit ratios were calculated as follows.

<b>Furnished tenancy scheme</b>	<b>Tenant ratio</b>	<b>Landlord ratio</b>	<b>Wider public purse ratio</b>
North Tyneside	£1 cost gives £13.50 benefit	£1 cost gives £1 benefit	£1 cost gives £2.10 benefit
Onward Homes	n/a	£1 cost gives 70p benefit	£1 cost gives £2.70 benefit

The North Tyneside model demonstrates a strongly positive ratio for the tenant. The tenant ratio is not applicable for Onward as no charge is made to the tenant thus making a cost benefit ratio incalculable. However, we calculated the sum of benefits for the tenants concerned over the 2.5 year period for which the scheme has been running as £1,050,372. Given the cost to tenants is 0, this demonstrates a strongly positive effect..

Both North Tyneside and Onward Homes provided data demonstrating that, compared to other customers in non-furnished accommodation, tenancies were less likely to terminate so leading to fewer voids and their associated costs. We used Onward’s calculation of the true cost of voids, which includes management and repair costs as well as rent loss. For Onward, the cohort of tenants in the scheme are the most vulnerable and they were able to demonstrate an improvement in tenancy sustainment in furnished tenancies of 12.5% when compared to typical tenancy sustainment for this group of tenants.

The Furniture Flex offer from End Furniture Poverty can be established with just one member of staff at the participating organisation, making it a cost effective and streamlined way of introducing furnished tenancies.

Both schemes demonstrated strongly positive benefits for the wider public purse.

### **Broader additional benefits**

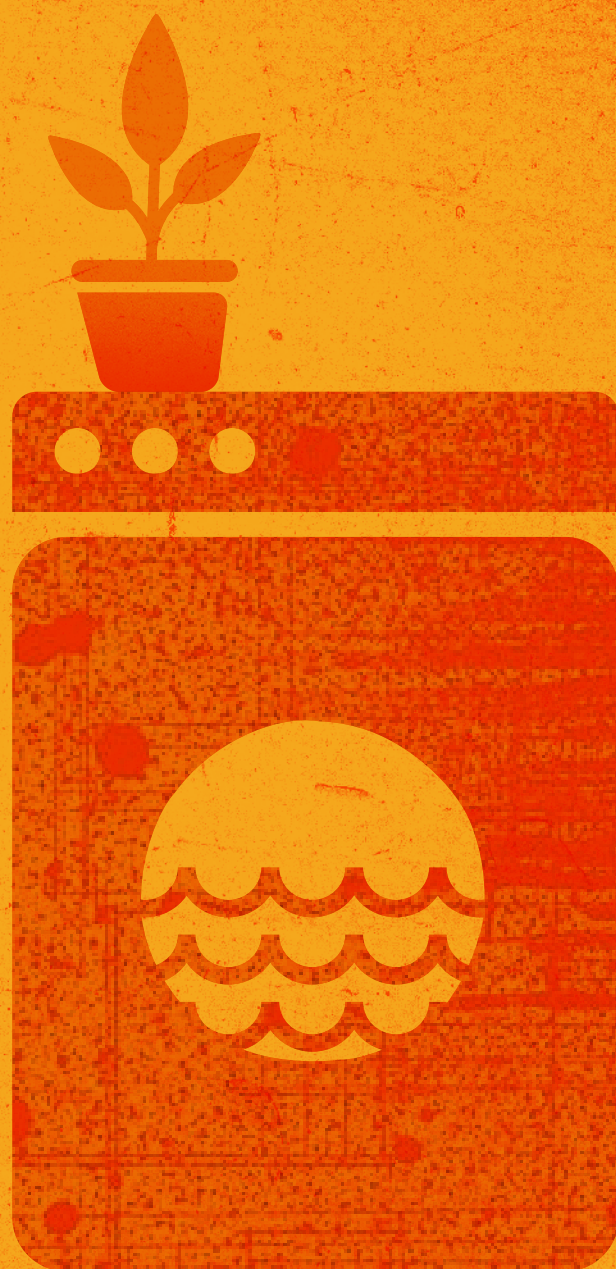
In addition, furniture allocation schemes bring additional benefits to recipients and the public purse, for which evidence exists but which were not modelled in the CBA’s due to constraints of data availability. These include debt avoidance, improved physical and mental health, engagement in education and preparedness for work.

### **Conclusions**

Both LWA and furnished tenancies demonstrated strongly positive benefits for individuals, local authorities and the wider public purse, supporting End Furniture Poverty’s campaigning position for the expansion of both these schemes. Furnished tenancies, by improving vulnerable tenants’ ability to sustain social tenancies and so benefit from the wide range of support offered by social landlords in comparison with renting in the private sector, are a strongly preventative measure, avoiding potential fall into crisis and the subsequent personal and societal costs involved.



# INTRODUCTION



---

# 1 INTRODUCTION

## 1.1 Background

End Furniture Poverty (EFP) is the campaigning and social research arm of the Furniture Resource Centre (FRC) Group, a group of 100% not-for-profit charities. FRC Group has been providing furniture, both new and preloved, to people living in furniture poverty for over 35 years and reducing, and ultimately eradicating furniture poverty is FRC Group's core mission.

EFP have been researching furniture poverty, and solutions to it, for several years. They have published in-house research on crisis support, furniture provision in social housing, and the extent of furniture poverty in the UK. The research outlines the scale of the problem and identifies the two most effective methods for supporting people to access the items they need. These methods are (a) local government crisis support schemes (primarily Local Welfare Assistance (LWA)) and (b) furniture provision in social housing (furnished tenancy schemes).

There is a clear moral case for both approaches: access to essential furniture and appliances affords people what would be considered a basic standard of living in the UK in 2024. But EFP believe that there are further benefits to providing essential furniture and appliances, such as positive physical and mental health, and social and financial wellbeing. This belief has come from existing research, and extensive experience of speaking to people in furniture poverty. Importantly, they also believe that such positive effects create an overall net gain for councils, society, and the public purse.

The economic case for giving access to essential furniture items can be difficult to quantify, making it difficult for EFP to campaign for change and convince policymakers, housing associations and local authorities. These decision makers need a robust case for acting, which clearly outlines the benefits.

For this reason EFP commissioned Local Partnerships to carry out a cost benefit analysis of the two main forms of provision, i.e:

- local government crisis support schemes (primarily LWA)
- furniture provision in social housing (furnished tenancy schemes)



---

## 1.2 Methodology

EFP worked with two local authorities and two Registered Providers (RPs) or housing associations which were operating LWA programmes including furniture provision and furnished tenancies and were willing to participate in the analysis.

Local Partnerships worked with the participating organisations to understand the data available and to develop a theory of change that could be tested through the analysis.

Cost benefit models were constructed for each case, using the organisations' specific data. Cost benefit ratios were derived comparing the ratio of costs of inputs with estimates of quantifiable benefits, either as direct financial savings, or as improvements in wellbeing using data from trusted and reliable sources. These ratios were tailored for the recipient of the service, the landlord, in the case of furnished tenancies, and wider societal benefits.

## 1.3 A note on data

The data used was sourced directly from the organisations in terms of the inputs and costs to their schemes. Benefits were considered with respect to individual recipients of the schemes and the wider public purse for the LWA, and tenants, landlords and the wider public purse for furnished tenancies.

Benefit calculations were made using data, either from the organisations involved, for example for furniture costs (tenant) and rent arrears (landlord) avoided, and, in the case of wider benefits, using reputable and attributed published studies. These include the New Economy Manchester Model<sup>1</sup>, The Green Book<sup>2</sup> and research from Hyde Housing Association<sup>3</sup>. Appendix 1 gives details how benefits are calculated using these models.

### New Economy Manchester Model

The Greater Manchester Combined Authority (GMCA) Research Team (formerly New Economy) has pioneered the development of a cost benefit analysis methodology that has become nationally leading in its approach to articulating the fiscal, economic and social value of interventions. The methodology has been subject to an ongoing process of development since it was initially produced in 2011, and representatives from a range of central government departments have supported the development process and remain engaged in further refinement of the CBA model and accompanying resources.

### HM Treasury Green Book guidance

Supplementary guidance to HM Treasury's Green Book in 2021 (government guidance to how investment projects should be evaluated by cost benefit analysis) proposed using the WELL-BY measure to appraise the effects of intervention on individual wellbeing. This is calculated as £13,000 p.a. for an additional year of wellbeing, accounting for the cumulative effects of:

- Physical and mental health
- Relationships
- What people do
- Where people live
- Personal finance
- Education and skills
- Governance
- Economy
- Environment

---

We have used an appropriately discounted measure as 'where people live' is only one of the factors contributing to overall wellbeing.

### Hyde Housing Association research

Research commissioned by Hyde Housing Association on the value of a social tenancy identifies individual tenant's benefits in the following areas when compared with those not in social housing:

- Financial wellbeing, including debt reduction and access to benefits and employment
- Mental wellbeing, including greater stability and increased life chances
- Physical wellbeing, including reduction in GP and A&E visits and fewer falls in the home
- Relational wellbeing, including increased family wellbeing and stronger community connections
- Purposefulness, including increased attainment and participation



# THE COST BENEFIT ANALYSIS



---

## 2.1 Introduction

This section describes the analysis we completed for the two cases and with each participating organisation and how the models were constructed and developed.

## 2.2 Local Welfare Assistance

The local authorities participating were Cambridgeshire County Council and Liverpool City Council. Both are operating LWA schemes, which include furniture provision, as well as other support including food and fuel vouchers, help with maximising income and signposting to other services, including debt relief and help in accessing employment or training.

The theory of change developed for the LWA schemes are shown below. Theory of change is an explicit process of thinking through and documenting how a programme or intervention is supposed to work, why it will work, who it will benefit (and in what way) and the conditions required for success. The theory is laid out in a diagram showing the connections between interventions and outcomes, the causal pathways. It also makes clear that these causal pathways rest on a set of assumptions, and that these assumptions have varying degrees of evidence to support them. It makes all three things explicit: causal pathways, assumptions, and evidence.

The theory of change models are shown below, and, as in all of this, we were necessarily constrained by the data available. So, while there are other suggested and potential benefits for the schemes, the costs and benefits modelled are those for which evidence was available from the participating organisations.

For the LWA schemes we modelled benefits to local authorities and benefits to the wider public purse. Because of the broad nature of the support available, which is different according to the needs of the recipients, who have different circumstances, including social housing tenants, private rented sector tenants and homeless households, the data did not allow segmentation of support provided (and consequent benefits) by individual. However, looking at the assumed benefits to the public purse using the Manchester Model, we were able to break down those attributable to local authorities (County, District and Unitary) and those to the wider public sector.

### 2.2.1 Local authorities

The proposition modelled is that by intervening with a LWA scheme, including furniture provision, income maximisation and other support including food and fuel vouchers, local authorities will have reduced demand in homelessness presentations, temporary accommodation, and social services support, leading to specific savings.

---

#### LWA

Inputs	Activities	Outputs	Outcomes (Local Authorities)	Measurement
<ul style="list-style-type: none"><li>• Cost of furniture</li><li>• Other costs</li><li>• Staff costs</li><li>• Overheads</li></ul>	<ul style="list-style-type: none"><li>• Furniture allocation</li><li>• Income maximisation</li><li>• Signposting to other support</li></ul>	<ul style="list-style-type: none"><li>• No. participants over 3 years</li><li>• No. furniture packages supplied</li><li>• Other support</li></ul>	<ul style="list-style-type: none"><li>• Reduced homelessness</li><li>• Reduced temporary accommodation required</li><li>• Reduced social services support</li></ul>	<ul style="list-style-type: none"><li>• Manchester Model estimates of savings to County and District Councils</li></ul>

---

### 2.2.2 Wider society

The proposition modelled is that due to the intervention of a LWA scheme, including furniture provision, income maximisation and other support including food and fuel vouchers, the wider public sector will have reduced demand for health, criminal justice and benefits on top of those benefits attributable to local authorities.

---

#### LWA

Inputs	Activities	Outputs	Outcomes (wider public purse)	Measurement
<ul style="list-style-type: none"><li>• Cost of furniture</li><li>• Other costs</li><li>• Staff costs</li><li>• Overheads</li></ul>	<ul style="list-style-type: none"><li>• Furniture allocation</li><li>• Income maximisation</li><li>• Signposting to other support</li></ul>	<ul style="list-style-type: none"><li>• No. participants over 3 years</li><li>• No. furniture packages supplied</li><li>• Other support</li><li>• Length of tenancy</li></ul>	<ul style="list-style-type: none"><li>• LA savings plus:<ul style="list-style-type: none"><li>• NHS savings</li><li>• Police and crime savings</li><li>• DWP savings</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Manchester Model estimates of savings to wider public purse</li></ul>

### 2.2.3 Cambridgeshire Local Assistance Scheme

Since 2017, the Cambridgeshire Local Assistance Scheme (CLAS) provides a safety net for people experiencing hardship. CLAS is a vital lifeline for these households, as it can provide them with emergency assistance, advice, and referrals to other specialist services.

CLAS is an established Cambridgeshire based partnership of like-minded organisations using combined expertise in financial capability, knowledge of local communities, and relationships with a wide range of local support services. CLAS is delivered by the CHS Group through four core delivery partners; Cambridge and District Citizens Advice, Citizens Advice Rural Cambridgeshire, Cambridge Re-use and CCORRN; a network of CLAS Champions; and Charities Networks.

CLAS support is delivered within an agreed framework which builds on an initial financial health check and provides a deeper financial capability intervention. The framework has the following key steps:

- Basic budget review
- Household utilities review
- Income maximisation
- Household furnishings
- Action plan

---

The awards available are as follows:

- Recycled white goods and furniture
- New white goods - cookers, fridge freezers, washing machines
- New beds and mattresses
- Supermarket vouchers for food and clothing
- Food4Good vouchers – registration to REMO Food4Good Social Supermarket
- Diamond Food Hamper vouchers
- Energy vouchers - electricity and gas vouchers
- Decorating vouchers - recycled paint and decorating packs

CLAS helps more than 1000 households each year with a core budget of £300K from Cambridgeshire County Council and additional funds sourced from elsewhere, enabling more awards.

#### **2.2.4 Liverpool City Council**

In 2013 Liverpool City Council established a local welfare provision scheme known as the Liverpool Citizens Support Scheme (LCSS) supported by a local policy. The Liverpool Citizens Support Scheme is administered alongside other forms of support which can be offered to the citizen including benefits maximisation, discretionary housing payments and onward referrals for housing and debt advice. The aim of the service is to provide a complete package of support, which will enable the citizen to be more independent and to reduce the need for further claims upon the scheme.

The policy seeks to identify and prioritise those most in need. It aims to target the most vulnerable in need of urgent financial assistance or support. The scheme will make awards under two types of need; those who require immediate support, and those who require assistance to establish or maintain a home in the community.

Awards will help with the provision of:

- Beds
- Repair of domestic appliances
- Replacement of domestic appliances with refurbished appliances (new appliances will be provided where a repair cannot be made and a refurbished appliance is not available)
- Emergency transport costs
- Essential domestic furniture and appliances (see exclusions)
- Provision of heating appliances
- Clothing for expectant mothers or babies
- Assistance where debt threatens the viability of the claimant maintaining their home (for example in potential eviction cases)
- Floor coverings but only where there is evidence of a medical needs or needs associated with the development of a child

The policy will seek to provide holistic support, taking into account alternative local provision. The policy will also seek to ensure that the support is sustainable. Customers who submit repeat applications or are identified as in need of requiring another form of assistance will be referred to an appropriate local advice service for support such as income maximisation, budget or debt advice or counselling services. Different support services will be encouraged to work in concert to deliver an approach which would prevent repeat applications.



### 2.3 Furnished tenancies

The two participating organisations are North Tyneside Council, operating a furnished tenancy scheme for its own managed stock, and Onward Homes in the north west of England, operating a gifted furnishing scheme, Home Plus.

The theory of change models are shown below, the proposition modelled is that the provision of a furnished tenancy leads to benefits for the tenant, the landlord and the wider public purse.

#### 2.3.1 Individual recipients

Tenants will benefit from the reduced cost of furnishing their homes and an improvement in wellbeing through living in a stable environment, which has been enabled by greater capacity to sustain the tenancy. Those tenants offered furnished tenancies are amongst the most vulnerable.

#### Furnished tenancies

Inputs	Activities	Outputs	Outcomes (Tenant)	Measurement
<ul style="list-style-type: none"> <li>• Cost of furniture</li> <li>• Staff costs</li> <li>• Overheads</li> <li>• Charges to tenants</li> </ul>	<ul style="list-style-type: none"> <li>• Furnished tenancy</li> </ul>	<ul style="list-style-type: none"> <li>• No. participants over 3 years</li> <li>• No. furniture packages supplied</li> <li>• Length of tenancy</li> </ul>	<ul style="list-style-type: none"> <li>• Wellbeing</li> <li>• Cost of furnishing home</li> </ul>	<ul style="list-style-type: none"> <li>• Personal wellbeing impact</li> <li>• Average savings in furnishing costs</li> </ul>

#### 2.3.2 The landlord

Landlords will benefit from the charges made to tenants and reduced arrears and voids evidenced in furnished tenancies.

#### Furnished tenancies

Inputs	Activities	Outputs	Outcomes (Landlord)	Measurement
<ul style="list-style-type: none"> <li>• Cost of furniture</li> <li>• Staff costs</li> <li>• Overheads</li> <li>• Charges to tenants</li> </ul>	<ul style="list-style-type: none"> <li>• Furnished tenancy</li> </ul>	<ul style="list-style-type: none"> <li>• No. participants over 3 years</li> <li>• No. furniture packages supplied</li> <li>• Length of tenancy</li> <li>• Arrears rates</li> </ul>	<ul style="list-style-type: none"> <li>• Voids</li> <li>• Rent arrears</li> </ul>	<ul style="list-style-type: none"> <li>• Void reductions</li> <li>• Improved rent collection</li> </ul>

---

### 2.3.3 Wider society

The wider public purse benefits from greater sustainment of a social tenancy. The annual value of a social tenancy is extrapolated from the reduction in demand for public services as an outcome of these individual benefits.

### 2.3.4 North Tyneside Council

North Tyneside Council has operated a furnished tenancy scheme since 1996. All new North Tyneside Council tenants are eligible to apply for the scheme when they sign up for their tenancies. During the allocations process a needs and affordability assessment is undertaken with the prospective tenant to ensure that those who do opt for a furniture pack are doing so because it is the best option for them and that they will be able to afford to pay the weekly service charge.

Tenants are offered options of different packages of furniture for which they are charged between £10.53 and £47.37 per week. The weekly charge is determined by a points system that is linked to the type and number of items that the tenant requires to meet their needs. The number of points allocated to the lowest cost option is sufficient for the tenant to choose a washing machine, fridge freezer and cooker, while the highest level of points is sufficient to provide enough basic furniture to furnish a 4 or 5 bedroom property. Using this system means the tenant has choice and the ability to receive a range of furniture tailored to household size. The weekly service charges are eligible to be included in Universal Credit or Housing Benefit for those customers entitled to claim these benefits.

### 2.3.5 Onward Homes

Onward Homes operates the Home+ scheme for its most financially vulnerable customers since March 2022. The aim is to provide these new customers with the best start to their new tenancy and support sustainability by gifting a full furniture package to 10% of new sign ups. Goods are sourced new from established suppliers and the package is provided free of charge to tenants. The package includes:

- Furniture package tailored to household size
- Fridge freezer
- Electric cooker
- Washing machine
- Blinds
- Floor coverings
- Credit of first week's rent

Onward also provide support services to all customers experiencing financial difficulty including financial maximisation, tenancy sustainment support and help to access employment and training.

From 1st December this year Onward are proposing to extend a Furniture Flex offer to existing and new customers who are in need of furniture and able to pay for packages either through benefits or salary.

---

## 2.4 EFP's Furniture Flex offer

End Furniture Poverty have developed the Furniture Flex offer for social landlords as a cost effective and streamlined way of introducing furnished tenancy schemes. Using EFP's established relationship with FRC and processing of requests, returns and repairs of furniture through an app. means there is minimum administration for landlords. The landlord deals with FRC Group and then FRC deal with repairs, replacements, returns etc., which tenants can request themselves.

It is estimated that a landlord can introduce the scheme with only one additional member of staff, the costs of which will be recouped through charges. So far feedback from landlords has been very positive.'

## 2.5 Broader additional benefits

The modelling takes into account both personal wellbeing impact for allocation of furniture as part of LWA and furnished tenancy schemes and wider societal benefits due to increased retention of social tenancies evidenced by the furnished tenancy participants and the additional support offered in LWA schemes. End Furniture Poverty believe that furnished tenancies are an important preventative measure that can help people avoid falling into crisis. While all of the factors discussed below are not accounted for in the modelling there is strong evidence of additional benefits to the public purse and of the safety net that furnished tenancies provide through the following factors:

- Avoidance of debt
- Improved physical health
- Improved mental health
- Engagement in education
- Preparedness for work

### 2.5.1 Avoidance of debt

Vulnerable, low income households starting a social tenancy and not in receipt of furniture through a LWA or furnished tenancy scheme are likely to struggle to find money to pay for essential items. They may resort to payday or doorstep lenders or other high cost, unsecured ways of borrowing, leading to debt and associated stress and loss of income for those already in a precarious position. The Joseph Rowntree Federation estimates that the annualised cost of financing this kind of debt for low income households is around £680 per household on average<sup>4</sup>. This will further negatively affect a household's income, leading to increased costs for the public purse associated with alleviating poverty.

### 2.5.2 Improved physical health

Having the means to cook food at home is vitally important for a family's physical health and well-being. Reliance on takeaways and other pre-prepared food is expensive and often unhealthy, so the provision of cookers and fridges to enable fresh food to be stored and prepared, and freezers to enable access to supermarket offers and batch cooking is a critical part of the schemes. The evidence that poor nutrition can lead to a range of ill health problems is strong and it is estimated that malnutrition costs the NHS £19.6bn per year<sup>5</sup>.

In addition, having the means to wash and dry clothes and bedding at home is beneficial for a family's health. Launderette use is expensive and time-consuming (the average cost of a home washing machine cycle is 50p compared with £5-7 at a launderette). Avoiding launderette use adds to a family's income and so alleviates some of the ill health consequences associated with poverty.

---

### 2.5.3 Improved mental health

There are also particular benefits for mental health. These include having a bed to sleep well, a sofa to relax as a family, and a table and chairs to do homework, eat together and do training or job applications. All of this will mean recipients are more likely to invite people into their homes because the stigma of furniture poverty can mean people isolate themselves, and not just from family and friends, but also from support workers such as social workers, health visitors and housing officers.

The broad impact of poor mental health on the UK economy was estimated to be £118bn by the Mental Health Foundation<sup>6</sup>.

### 2.5.4 Engagement in education

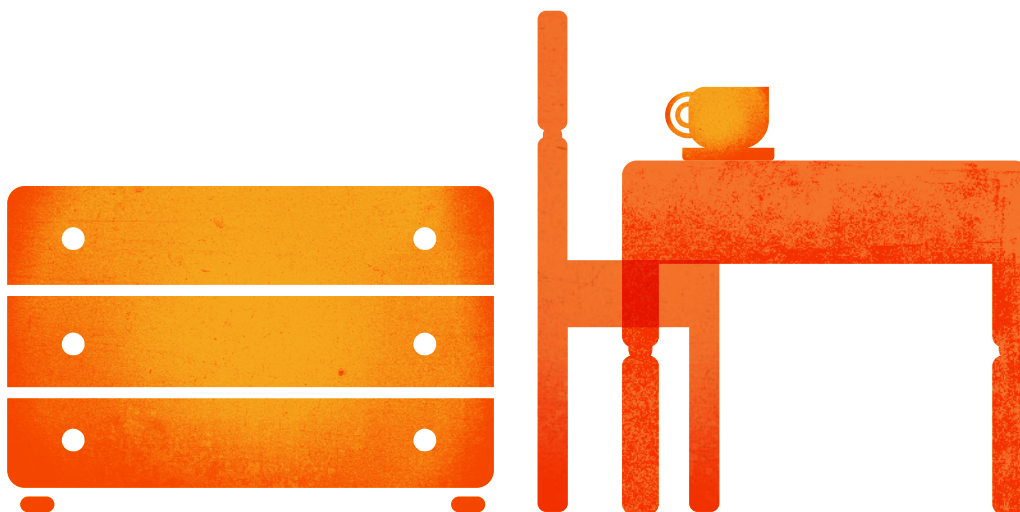
Engagement in education is crucial for young people to access opportunity and the jobs market, to reach their potential and move out of poverty. LWA and furnished tenancies support engagement in education by providing suitable furniture for young people to sleep well and study at home and making it easier for families to provide healthy food so avoiding the difficulties of arriving at school hungry and/or tired.

Analysis for the Child Poverty Action Group found that the weekly cost of secondary school education for parents and carers was £39 and £19 for primary school aged children<sup>7</sup>. Low income households may struggle to afford school uniforms and pay for school trips or activities with friends, making young people feel self-conscious and isolated. Both LWA and furnished tenancy schemes work to put more income in the pockets of low income families making them better able to support their children in education.

In addition, children who live in insecure housing may also be forced to move schools often and struggle to maintain networks of friends, which can impact both their education and wellbeing. The furnished tenancy schemes demonstrated increased sustainability of tenancies when compared to a cohort of similarly vulnerable households with unfurnished tenancies.

### 2.5.5 Preparedness for work

The cost of unemployment benefits in the UK was £1.2bn in 2023/4<sup>8</sup>, with an economic inactivity rate of 21.9% for the latest quarter<sup>9</sup>. While there are many factors affecting a household's ability to find paid work, both LWA and furnished tenancies increase potential preparedness for work by easing the cost and time needed for the everyday activities of providing for a family and, by reducing stress, may enable a more productive search for work.



# RESULTS AND CONCLUSIONS



---

### 3.1 Introduction

This section sets out the results of the cost benefit modelling for each participating organisation.

### 3.2 Local Welfare Assistance

We modelled the benefits attributable to the local authority/authorities operating the scheme and the wider public purse. The cost benefit ratios are shown below.

LWA scheme	Local authority ratio	Wider public purse ratio
Cambridgeshire	£1 cost gives £12.90 benefit	£1 cost gives to £16.50 benefit
Liverpool	£1 cost gives £9.70 benefit	£1 cost gives £14.20 benefit

#### 3.2.1 Local authority

Drawing on the work Cambridgeshire have commissioned using the Manchester model to evaluate their scheme, we modelled benefits to the local authorities, including reduced demand in homelessness presentations, temporary accommodation, and social services support. Both areas demonstrate strongly positive benefits for local authorities.

#### 3.2.2 Wider public purse

For the wider public purse reduced demand for health, criminal justice and benefits in addition to those benefits attributable to local authorities were modelled. Both areas demonstrate strongly positive benefits for the wider public purse.

### 3.3 Furnished tenancies

We modelled the benefits attributable to the tenant, the landlord and the wider public purse. The cost benefit ratios are shown below.

Furnished tenancy scheme	Tenant ratio	Landlord ratio	Wider public purse ratio
North Tyneside	£1 cost gives £13.50 benefit	£1 cost gives £1 benefit	£1 cost gives £2.10 benefit
Onward Homes	n/a	£1 cost gives 70p benefit	£1 cost gives £2.70 benefit

#### 3.3.1 Tenant

The North Tyneside model demonstrates a strongly positive ratio for the tenant due to improvements in personal wellbeing and the financial benefit of acquiring furniture. The tenant ratio is not applicable for Onward as no charge is made to the tenant, thus making a cost benefit ratio incalculable. However, we calculated the sum of benefits for the tenants concerned over the 2.5 year period for which the scheme has been running as £1,050,372. Given the cost to tenants is 0, this demonstrates a strongly positive effect.

---

### 3.3.2 Landlord

Both North Tyneside and Onward Homes provided data demonstrating that, compared to other customers in non-furnished accommodation, tenancies were less likely to terminate so leading to fewer voids and their associated costs. We used Onward's calculation of the true cost of voids, which includes management and repair costs as well as rent loss. For Onward, the cohort of tenants in the scheme are the most vulnerable and they were able to demonstrate an improvement in tenancy sustainment in furnished tenancies of 12.5% when compared to typical tenancy sustainment for this group of tenants.

In addition, both organisations provided data showing that rent arrears in furnished accommodation were less than would be expected in non-furnished accommodation.

For the landlord the ratio for North Tyneside was approximately equal, 1:1, which they are happy to see over a 5 year period, associated as it is by very strong benefits for the tenants.

For Onward the ratio is 1:0.7, reflecting the fact that the furniture is gifted to tenants presently. From 1st December this year Onward are proposing to extend a Furniture Flex offer to existing and new customers who are in need of furniture and able to pay for packages either through benefits or salary.

The Furniture Flex offer from End Furniture Poverty can be established with just one member of staff at the participating organisation, making it a cost effective and streamlined way of introducing furnished tenancies.

### 3.3.3 Wider public purse

Hyde Housing Association's work on the value of a public sector tenancy was used to model the wider public purse effect of reduced terminations in the furnished tenancy cohort compared to non-furnished tenancies, demonstrating strongly positive benefits in both schemes.

### 3.4 Broader additional benefits

In addition, furniture allocation schemes bring additional benefits for which evidence exists, but which were not modelled in the CBA's due to constraints of data availability. These include debt avoidance, improved physical and mental health, engagement in education and preparedness for work.

### 3.5 Conclusions

Both LWA and furnished tenancies demonstrated strongly positive benefits for individuals, local authorities and the wider public purse, supporting End Furniture Poverty's campaigning position for the expansion of both these schemes. Furnished tenancies, by improving vulnerable tenants' ability to sustain social tenancies and so benefit from the wide range of support offered by social landlords in comparison with renting in the private sector, are a strongly preventative measure, avoiding potential fall into crisis and the subsequent personal and societal costs involved.

# APPENDIX





# BENEFITS CALCULATIONS

Scheme	Benefit recipients	Benefits	Benefit amount and data source
LWA	Individual	Improved wellbeing as a result of greater tenancy sustainment	10% of the WELLBY measure of £13,000 p.a.
		Reduced cost of essential furnishing	Actual cost of furniture supplied from participating organisations
	Local authority	Reductions in demand for homelessness, temporary accommodation and social services	Manchester model measures
	Wider public purse	Reductions in demand for NHS, criminal justice and DWP as well as local authority savings	Manchester model measures
Furnished tenancies	Individual	Improved wellbeing as a result of greater tenancy sustainment	10% of the WELLBY measure of £13,000 p.a.
		Reduced cost of essential furnishing	Actual cost of furniture supplied from participating organisations
	Landlord	Void reductions	Actual reduced real cost of voids from participating organisations
		Rent arrears reductions	Actual reduced loss due to arrears from participating organisations
	Wider public purse	Greater sustainment of social tenancy	£19,394 p.a. Hyde Housing Association

---

# BIBLIOGRAPHY:

- 1 <https://www.greatermanchester-ca.gov.uk/what-we-do/research/research-cost-benefit-analysis/>
- 2 HM Treasury (2021), Wellbeing Guidance for Appraisal: Supplementary Green Book Guidance
- 3 Hyde Housing Association (2024), The Value of a Social Tenancy: Updating and developing the model in 2024
- 4 Joseph Rowntree Foundation (2023), The cost of debt for low-income households in the cost of living crisis
- 5 NHS Confederation (2023), Tackling poverty and the cost of food: parliamentary briefing
- 6 Mental Health Foundation & London School of Economics and Political Science (2022), The economic case for investing in the prevention of mental health conditions in the UK
- 7 Centre for Research in Social Policy (2023), Understanding the costs of education to households in the UK
- 8 Government Digital Service (2024)
- 9 Office of National Statistics (2024)



---

# ABOUT LOCAL PARTNERSHIPS

Local Partnerships is an in-house public sector consultancy jointly owned by the LGA, HM Treasury and Welsh Government. We work solely for central government departments, the Welsh Government, councils and combined authorities.

Local Partnerships delivers value and efficacy for the public purse. As a key interface between local and central government, we provide expert advice and practical resources alongside project and programme delivery support, enabling public services to thrive.

Whether supporting and accelerating the delivery of major infrastructure, tackling climate challenges through waste efficiency and renewable energy propositions through to wider place-making initiatives, we help transform services across the public sector ecosystem.

Our team of experts works exclusively for the benefit of the public sector, and our specialist programme teams provide trusted, professional support and advice.

Our experience of working with both national and local government gives our clients a unique insight into current best practice and market intelligence from around the UK, improving their chances of success.

[localpartnerships.gov.uk](https://localpartnerships.gov.uk)  @LP\_local gov



JOINTLY OWNED BY



**END  
FURNITURE  
POVERTY**



[www.EndFurniturePoverty.org](http://www.EndFurniturePoverty.org)