



Vulnerable young Londoners mastering money to prevent homelessness

A newly expanded money skills programme for vulnerable young people is helping to 'dismantle the root causes of poverty', according to the campaigner and Big Issue Founder Lord Bird.

Hundreds of 16-25-year olds across London are being mandated by councils to attend a specialist financial capability programme, The Money House, before they can bid for social housing.

Based in real flats and run by the education charity, MyBnk, it gives young people leaving the care system or in sheltered housing, the financial, digital and employability skills to survive and move into independent living.

Speaking at a Westminster showcase of the scheme, the Big Issue founder urged more local authorities to embrace the award-winning project, which is taking referrals on a continuous basis.

[High res photos](#)

Over five days experts help would-be tenants tackle rent, bills, budgeting, and living costs to make informed choices about their future and challenge their attitudes and behaviours towards things like debt. It also hosts staff from local banks and job centres to help them navigate the system.

After The Money House:

- Attendees are three times less likely to have rent arrears than their peers.
- No one who has completed it has ever been evicted.
- Landlords have reduced costs and secured more rent with fewer arrears.

Originally based in the Royal Borough of Greenwich, it has expanded to Newham, where one in 25 people are homeless, according to Shelter.

Last year, Centrepoin discovered that one in five young people, homeless or at risk of being homeless, was refused help by UK councils. For those leaving the care system, there is a one in three chance of losing their first home within the first two years.

The Money House is supported by the Berkeley Foundation, Hyde Charitable Trust and JPMorgan Chase Foundation. In 2016 it won The Guardian's Public Service Award for Housing.

The launch coincides with the Money Advice Service's Financial Capability Week.

Lord Bird said:

"At The Big Issue, we are on a mission to dismantle the root causes of poverty by offering a hand up not a hand out, so I applaud MyBnk for all their efforts. I hope that more councils will embrace the initiative, so that even more young people will be equipped with the skills needed to survive and prevent homelessness and debt."

Guy Rigden, CEO, MyBnk said:

"Being able to manage your money and budget a household could be the difference between independence and the streets. If you work with young people who could benefit from The Money House, please refer them immediately. After the project, participants are three times less likely to have rent arrears than their peers, no one who has completed it has ever been evicted, and landlords have reduced costs and secure more rent with fewer arrears".

Channel, 19, The Money House attendee, single mother, went from sheltered housing to her own flat:

"I have learnt so much. If this was a lesson at school, I would not miss it. What I learnt was so informative and the trainers are not like teachers telling you what to do, they share stories and they helped me understand. I've learnt about pay, online safety, small print and how to separate my needs and wants I would highly recommend this. I've two friends, who are also pregnant, and I'm getting them on this course!"

Rob Perrins, Chairman of the Berkeley Foundation said:

"Everyone has to make choices about money, and for young people who don't have a support network to lean on, it can feel like a minefield. So I think we need a Money House in every London Borough and in every city across Britain. It's about helping young care leavers find their feet in society."

Hyde Group Chief Executive, Elaine Bailey:

"Hyde are incredibly proud to have been involved in the set-up of The Money House and are pleased to be able to continue to support the excellent work of this project preparing vulnerable young people for living independently and building their financial resilience. Making sure that people have the skills that they need to be successful in managing their tenancy is a really important outcome for the housing sector."

Hang Ho, Head of the JPMorgan Chase Foundation for EMEA:

"If young people can better acquire the necessary knowledge, skills and tools required to understand their finances, it will increase their economic stability and build the foundation for a better future. MyBnk aims to help at the critical point when these young people are thrust into financial independence. It's a crucial transition and we're passionate about laying the groundwork for a more certain financial future for these young people."

Case studies:

1) Male, 22 who had borrowed £200 from a high street payday lender. He then moved house and the lender lost him for 5 years. When they finally caught up with him, they issued a demand for £250,000 – all for borrowing £200. We connected him to debt advice charity who advised it not to

initiate repayment and to go to statue barred status. He's now free of the debt and living in his own home.

The regulations now don't allow for this to happen (they can only double the debt) but it highlights the need to be aware of high interest loans and the danger they carry.

2) Female, 18, on day one says it's all pointless – she's already in debts and no one wants to help her.

During an exercise exploring TV Licences, she mentioned she had red letters coming because she was in arrears with her weekly payment plan. We asked if she had called but she told us it wasn't something she was comfortable with. We sat down with her and wrote some bullet points down with her – how much she could realistically afford, what payment date would work best with her income etc. We put a phone in her hand and she made a call to TV Licensing – she worked out a repayment plan and committed to clearing the debt. Confidence on day five: "keep your head up high, there's nothing you can't do if you try".

3) Male, 18 with 6 months of service charge arrears built up on his account. He knew it was a problem, but didn't take the debt seriously – he believed that since it was a hostel, they wouldn't take matters any further than the letters he had already received. After learning about Priority and Non Priority Debts, he realised just how serious the situation was. As a result, he looked at his budget, found a surplus from things he didn't need and paid his arrears off – BEFORE LEAVING THE COURSE. Instant win and a great example of how YP tend to do the right thing when they 1) Know how to and 2) Understand WHY they should.

For more information or to visit The Money House, please contact declan@mybnk.org or call 0203 581 9920

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