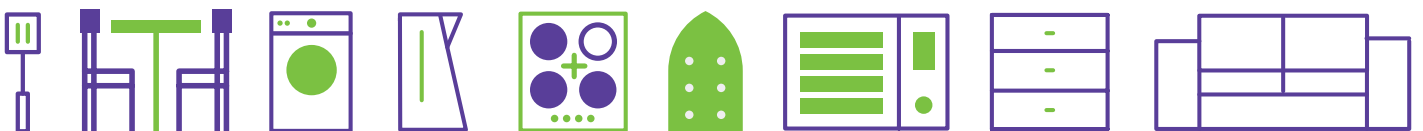


# NFS

THE SIMPLER WAY TO FURNISH HOMES

## The value of furniture

Understanding the impact of  
furnished tenancies



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### The value of furniture: NFS research study

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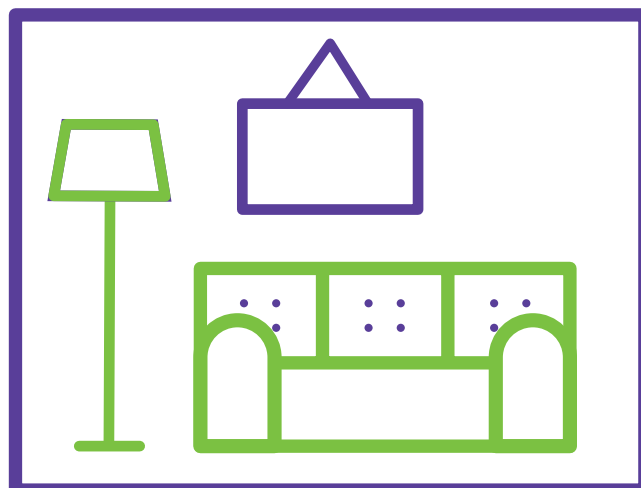
# Executive Summary

The impact the lack of adequate furniture has on people's wellbeing and health is becoming an increasingly prominent issue across the country. Furniture poverty occurs when people cannot access the basic items that make a home liveable, including white goods, beds, tables and chairs. That lack of such essential furniture contributes to various health problems, and exacerbates financial vulnerabilities and food poverty. Social housing tenants are more likely to be affected by furniture poverty and are often forced to borrow, fall into debt or use expensive market solutions to source furniture. Current affordable provision of furniture to social housing residents is patchy and relies on re-used furniture.

In this research study, HACT provides insights drawn from a particular intervention aimed at tackling furniture poverty. HACT further examines the profile of residents that are using furniture renting services and therefore are most likely to be at risk of furniture poverty. The study assesses the impact of NFS, a furniture service operating as a subsidiary of Your Homes Newcastle (YHN), the ALMO of Newcastle City Council, who also commissioned this study. NFS supports communities with the necessary furniture that is key for individual wellbeing and comfort in their homes, thus contributing to alleviation of furniture poverty across England and Wales. It rents furniture to customers of social housing providers who can select the furniture they need from a range of options and either pay the weekly charge themselves or have it covered by Housing Benefit or the housing element of Universal Credit. NFS also provides a repairs and installation service free of charge to their customers.

This report has 7 key sections:

1. **Understanding furniture poverty.** The section considers causes and available solutions to furniture poverty.
2. **Who is at risk of furniture poverty?** The section provides a demographic picture of customers using furniture rental services.
3. **Impact of furniture for customers.** The section considers varied benefits experienced by the people using the service, including financial and health benefits.
4. **Impact of furniture for clients.** The section analyses impact created to organisations using the service.
5. **Impact of furniture service during the national crisis.** The section considers how the service was operating during the national lockdown over March-July 2020.
6. **How the service works.** The section details the delivery model of the furniture renting service.
7. **Methodology.** The last section details methodology of this research study.



## Impact

The study found that affordable furniture provision can have an immense, positive impact on people's wellbeing and financial position. The impact was particularly highlighted during the pandemic as alternative avenues of sourcing furniture in emergency circumstances were not available.

People most likely to use furniture services and therefore at **highest risk of furniture poverty are young females (26-35 year-old group), living in 2 or 3 bedroom accommodation and likely to have dependent children.** Single men over 35 (or part of couples with no dependents) are also at risk of falling into furniture poverty given lack of affordable solutions.

Analysis of YHN residents using NFS found **that those using the service had on average lower rent arrears in the region of £100 than those who were not on the service.** For many, having an affordable option to source furniture means that they **do not have to get into debt while trying to make their new property a home.** Affordable furniture provision is crucial for people who are at risk of financial precarity or are otherwise economically disadvantaged.

Furniture services that include a free repairs and install option provide a range of **physical and mental health benefits, giving the flexibility people need to adjust to their changing life circumstances.** It reduces stress and anxiety as people do not have to worry about extra expense, making moving into a new property a much more pleasant experience and their new home a welcoming and social space.

People in crisis situations and those who require emergency re-housing, for example, individuals fleeing domestic abuse, formerly homeless people or individuals leaving the criminal justice system, might not have any furniture of their own or means to buy it. Therefore, ability to have essential appliances without additional expense is particularly impactful for those starting out living independently.

Social housing providers who participated in the research project also evidenced the impact of affordable furnishing options to their tenants. Acknowledging that a similar service is often not feasible to deliver in-house, having options like NFS available in the market reduces the need for capital expenditure. Social housing providers suggest that **the service helps make properties more attractive and inherently improves customer service to social housing tenants.**



# 1. Understanding furniture poverty

Poverty is often defined using financial metrics and economic assessments that do not adequately capture the lived experience of poverty. This section outlines the importance of furniture and its impact on wellbeing. It further relates furniture poverty to wider poverty indicators, suggesting the importance of key household items to the prevention of destitution and poor health. *End Furniture Poverty*, the UK's leading advocate working to address furniture poverty, defines furniture poverty as the inability to afford or access the basic appliances and items of furniture that provide a household with an acceptable quality of life and the ability to participate in the norms of society.<sup>1</sup>

By basing our understanding of poverty on the fundamental material and social dimensions around which a flourishing life is built, we can be more attentive to the lives and wellbeing of those living in poverty. Food and fuel poverty rightly receive considerable policy and media attention, as does access to housing and shelter. These categories correspond with what the *Joseph Rowntree Foundation (JRF)* defines as 'destitution'. Yet even with these fundamental resources, *JRF* defines two other levels of poverty that make furniture poverty a more pressing issue: those falling significantly below a **decent standard of living**, and those **unable to cope with unexpected events and circumstances**.<sup>2</sup>

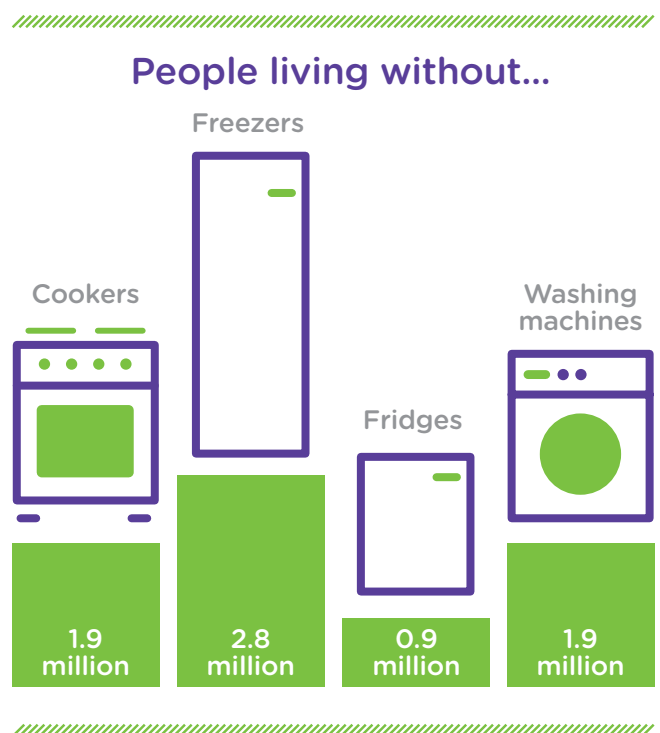
## Causes of furniture poverty

Furniture poverty occurs when people cannot access the basic items that make a home liveable, including white goods, beds, tables and chairs. Without furniture, a home is little more than a roof over the head and cannot provide the health and wellbeing benefits

that a stable home can create. Alongside fuel and food, furniture poverty reflects the lived consequences of poverty as they impact the individual every day.

According to the national poverty charity *Turn2us*, 1.9 million people in the UK are living without a cooker, 2.8 million people are living without a freezer, 900,000 people are living without a fridge and 1.9 million people are living without a washing machine.<sup>3</sup> *Turn2us* commissioned a survey which found that 1 in 7 households with an income below £35,000 were living without one essential household appliance.<sup>4</sup>

Social housing tenants are more likely to be affected by furniture poverty. Despite an increase in recent decades, social landlords have historically not tended to provide furnished properties. In 2015 it was reported that only 2% of social housing stock was furnished<sup>5</sup>.



<sup>1</sup>End Furniture Poverty (2019), "What is poverty?"

<sup>2</sup>Joseph Roundtree Foundation (2020), "What is poverty?"

<sup>3</sup>Turn2us (2020), "Living Without: The scale and impact of appliance poverty"

<sup>4</sup>Turn2us (2020), "Living Without: The scale and impact of appliance poverty"

<sup>5</sup>End Furniture Poverty, "Furnishing homes furnishing lives: An Initial Discussion of How Furnished Tenancies Support Sustainable Communities", (2015)

## 1. Understanding furniture poverty

The survey done in 1997 recognises that even at the time Newcastle City Council was a leader in the market when it came to providing furnished tenancies<sup>6</sup>. Demographics more likely to be at risk of furniture poverty include those without the skills and experience to live independently and the lack of social networks through which furniture can be acquired - this includes young, or formerly homeless people.<sup>7</sup>

The cost of furnishing a new and unfurnished property is high, especially when a large proportion of social housing tenants are unemployed or on low incomes. Faced with the inability to purchase items outright, tenants are often driven to rent-to-own lenders like the former *BrightHouse*, or simply do without essential items like fridges, cookers, beds and chairs. Poor nutrition and over-reliance on fast food are one consequence of residents being unable to purchase essential kitchen items.<sup>8</sup>

### Responses to furniture poverty

In a survey of UK Housing Associations *Turn2us* found that 89% already work with residents who are struggling to furnish their property with household appliances. 67% said they supported residents directly to help purchase items, whilst 88% helped their tenants to apply for charitable grants.<sup>9</sup>

For those unable to out-right purchase furnishings for a new let, there is a range of market and subsidised options available. Rent-to-own providers enable furniture to be purchased through recurring payments, often at a high interest rate. Outside of market options, furniture provision schemes often fit within two delivery models: **direct provision by housing providers**, (at a charge to residents) or referrals to furniture **re-use schemes**, which may also be provided and funded by the social landlord.<sup>10</sup>

### Rent to Own

Those in furniture poverty are often driven to the rent-to-own market, where through a form of hire-purchase agreements items can be purchased through a repayment schedule, often with a high interest rate. Consumers pay regular (often weekly) instalments to hire the item and take ownership after the last payment. Repayment schedules typically last one to four years and require the consumer to take out in-house or external insurance against the item until the final payment<sup>11</sup>. Rent-to-own is rarely a cost-effective solution: a *Citizens Advice* report in 2019 highlights the issue of rent-to-own debt, suggesting that consumers often pay 3,4 or more times the cost of the same item purchased upfront<sup>12</sup>.

Rent to Own		
 Perfect Home, Alice Double Bed (2020 figures)		
	Number of Weeks:	156
	Pay weekly cost:	£5.85
	Representative APR:	69.5%
	Theft & Accidental Damage Cover £0.64 (per week) =	£99.84
	Total pay weekly =	£6.49
	Total for 156 weeks:	£1,012.44

Majority of consumers (71%) were using the rent-to-own services because of financial difficulty rather than consumer choice<sup>13</sup>. In 2018, *Citizens Advice* found that 37% of rent-to-own users were between 25 and 34 years old, making up the largest single demographic group<sup>14</sup>. The same study found that rent-to-own users were three times more likely to be female, and 60% of them were social housing residents.

<sup>6</sup> Ibid.

<sup>7</sup> Pawson, H. and Monroe, M. (2010) "Explaining Tenancy Sustainment Rates in British Social Rented Housing: The Roles of Management, Vulnerability and Choice", *Urban Studies* 47, 1, p. 145-168.

<sup>8</sup> Joseph Roundtree Foundation, Brian Robson, (2018), "House to home: giving social housing tenants a place to call home"

<sup>9</sup> Turn2us (2020), "Living Without: The scale and impact of appliance poverty"

<sup>10</sup> Centre for Regional Economic and Social Research (2016), "Assessment of the need for furniture provision for new NIHE tenants", Sheffield Hallam University

<sup>11</sup> Citizens Advice (2016), "Hire purchase: Higher prices Problem debt in the rent to own market"

<sup>12</sup> Citizens Advice (2019), "High Cost Credit: Rent-to-own - Citizens Advice response to CP18/35"

<sup>13</sup> Citizens Advice (2016), "Hire purchase: Higher prices Problem debt in the rent to own market"

<sup>14</sup> Based on Citizens Advice clients with rent-to own debt in 2017-18

41% of rent-to-own users were single parents, and 63% had dependent children, with long-term debt placing them in more unstable circumstances.

In recent years, the two main rent-to-own providers in the UK were *BrightHouse* and *Perfect Home*, while at the same time these providers have faced increasing scrutiny under consumer protection measures. In 2014, the rent-to-own sector was brought under the regulation of the *Financial Conduct Authority (FCA)* over inadequate financial assessment of consumers leading to late fees, and defaults<sup>15</sup>. Formerly a leader in the market, *Buy as You View (BAYV)* have faced *FCA*'s negative appraisal of their treatment of customers in arrears, and transparency around fees<sup>16</sup> and are currently in administration. In March 2020 *BrightHouse* went into administration due to selling expensive furniture to clients who could not afford it.

## Reuse Schemes

Many social housing providers work with local charities and social enterprises that provide recycled furniture for free or at a reduced cost. Community based furniture recycling schemes are supported by donations, which can then be used to generate revenue to be reused for social benefit or be transferred to households in-need.

An example of a larger reuse scheme is *Quaker Social Action's Homestore* which operates from a redistribution warehouse and store in Stratford. To access heavily reduced items customers must sign up to a membership, which is available to individuals and families in East London. Proof of address and income must be provided to ensure only those in need are able to access items, which range from as low as £10 for a sofa and £70 for a single bed. In 2018/19, 1,837 people purchased affordable

high-quality furniture through *Homestore*, recycling items from 1,954 furniture donors<sup>17</sup>.

In Shropshire, *Wrekin Housing Trust* has a partnership with the local furniture reuse charity *Reviive*. *Reviive* are able to take donated items, or items left behind when tenants leave a Wrekin property, refurbish and resell them to the public, or to tenants

at affordable prices<sup>18</sup>. Wrekin tenants receive an additional discount on items. Additional benefits for the social landlord include reduced removal and waste costs, and the creation of employment and training opportunities for residents.<sup>19</sup>

Whilst reuse schemes also help to address landfill and

wastage, there can be issues around quality and durability of items. In addition, tenants are often limited by the selection of furniture options available.

## Summary

Research suggests that a lack of furniture can have a significant impact on a person's wellbeing, contribute to various health problems, and exacerbate financial vulnerabilities and food poverty. Provision of furniture in rented accommodation and social housing not only contributes to making a property a home, but is also vital to be able to eat, sleep and relax, - all activities that contribute to a healthy and happy life. Having access to affordable and efficient appliances can save residents a significant amount of money each year. However, current affordable provision of furniture to social housing residents is patchy and relies on used furniture. Many residents are therefore forced to rely on expensive private market solutions, such as rent-to-own, or get into debt to be able to furnish their homes. In this context, NFS stands out as a much-needed affordable alternative for social housing providers and residents.

**“NFS stands out as a much-needed affordable alternative for social housing providers and residents.”**

<sup>15</sup> Money Saving Expert (2018), "Perfect Home to refund customers more than £2 million"

<sup>16</sup> BBC (2017), "Bridgend-based Buy As You View firm in administration"

<sup>17</sup> Quakers Social Action (2019), Annual Review 2018/2019

<sup>18</sup> For examples, see Reviive online shop

<sup>19</sup> <https://www.housingmmonline.co.uk/news/the-re-use-factor-the-benefits-of-furniture-re-use-for-social-housing/>

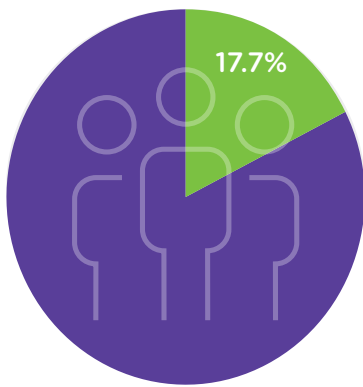


## 2. Who is at risk of furniture poverty?

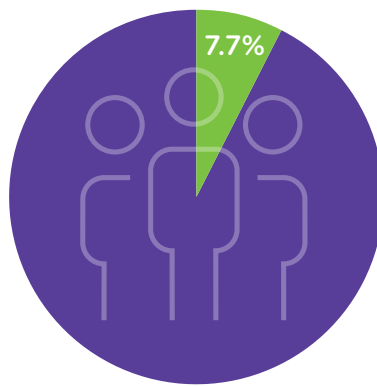
To understand who is more at risk of experiencing furniture poverty and in need of affordable furniture provision, HACT has used data about YHN residents who have previously used or are currently using NFS to create the profile of the typical customer and type of individual who is most likely to use the service.

### Pen picture of typical customer

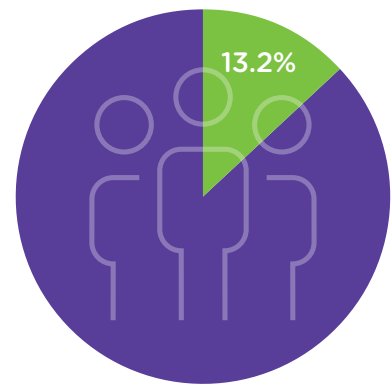
The figures below illustrate the main customer profiles as a proportion of all customers.



Typical customer (who is also the lead tenant) is a young female, living in a 2 or 3-bed flat. This type of tenant makes up **17.7% of all customers** (9.6% living in 2-bed flat and 8.1% in 3-bed flat). They are very likely to have dependent children and caring responsibilities.



A further **7.7% of customers** are slightly older females (36-45 year-old) living in a 3 bed-property. Given property sizes, this group is likely to be **either a small, young family or a single female parent with one or more children.**



A less typical, yet still significant customer group, are men over 35 years old living in 1-bed properties. This group makes up **13.2% of all customers.** With an older male as a lead tenant, these are likely to be **single men or older couples with no dependents.**





## Demographic profile

### Age profile

The majority of NFS users are young to middle-aged, with tenants under 45 years old making up just over 56% of all users (see Figure 1). This broadly reflects other research that suggests working-age people are more likely to be lacking key white goods and furniture than older people<sup>20</sup>. This highlights a trend of in-work poverty and insecure employment such as zero-hour contracts and jobs in gig economy.

### Age groups of NFS customers

Base: 6,739

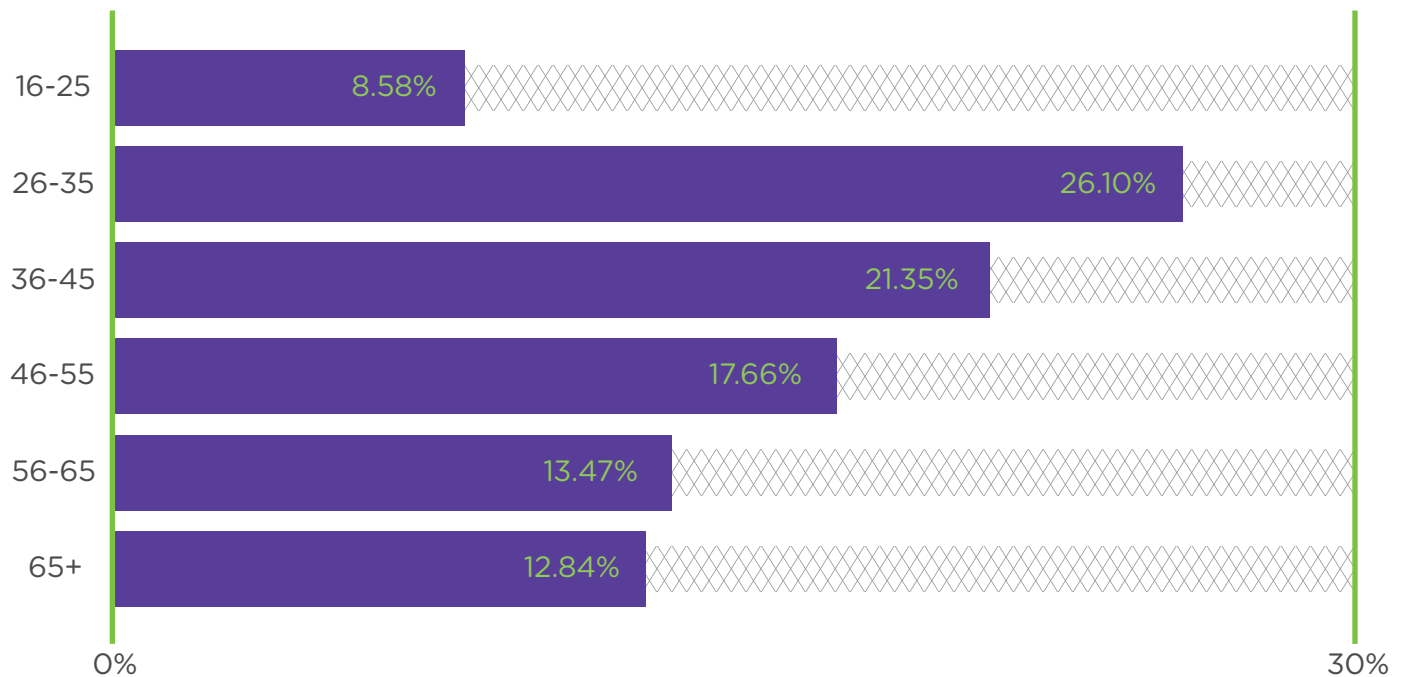


Figure 1. Age groups of NFS customers

### Gender segmentation of NFS customers

Base: 6,739

### Gender profile

While the *Turn2us* report on furniture poverty suggests that men are slightly more likely to live without essential furniture than women, HACT found that nearly two-thirds of lead tenants using NFS are female (see Figure 2 opposite). This might reflect wider differences of social housing residents as compared to other tenures.

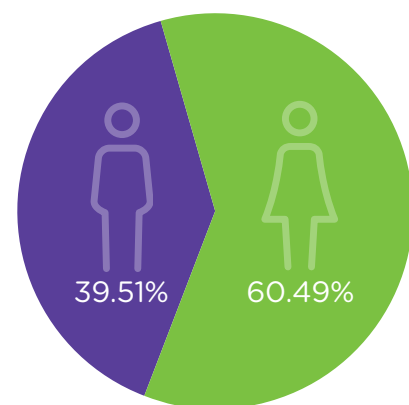


Figure 2. Gender split of NFS customers

<sup>20</sup> Turn2us (2020), "Living Without: The scale and impact of appliance poverty"

# 3. Customer impact

The service is used by customers of various ages, household make-ups and circumstances, some of whom are very vulnerable, while others are working full-time and paying for the service themselves. This section draws on data collected from interviews with 29 YHN residents who have used the service for varying lengths of time, ranging from those who have used it for just a couple of weeks to those who have used NFS for decades.

The section outlines different types of benefits that the service brings to customers, ranging from financial to social and health impact. It also explores the extent to which the service has been particularly impactful for vulnerable groups of people who are at risk of financial precarity or are otherwise economically disadvantaged.

## Reduction of financial pressures

The lack of adequate furniture provision often has a direct negative impact on people's finances. In addition to high interest costs incurred from using rent-to-own providers, living without appliances can lead to higher expenditure on food and energy. *Turn2us* report that a family of four without access to a cooker and reliant on a microwave will spend an additional **£42 per week, equating to £2,184 per year**<sup>21</sup>. Also a household lacking in access to a fridge freezer increases the number of times people have to shop inflating the yearly food bill by **£1,365**. Faulty and inefficient white goods can also increase energy bills, adding over £100 to annual spend<sup>22</sup>.

Motivations for using NFS are closely linked to the financial precarity experienced by many social housing residents: they often own very little or no furniture and have limited resources

to buy new items at the time of moving into a property. **Buying new or used furniture is recognised as a substantial expense that can put customers into debt or force them to use pay-day loans or other emergency credit.** As established in the sections above, one of the signs of poverty is financial inability to deal with unexpected life events, such as moving home. Customers don't always have enough savings to furnish a property, which is also reflected by generally low levels of savings among social housing residents, compared to owner occupiers and private renters<sup>23</sup>.

**The NFS weekly charge can be covered by the housing element of a Universal Credit claim or Housing Benefit.** As a result, it is an affordable solution for many people who are not able to afford the large initial expense to buy their own furniture. Therefore, the service is particularly impactful as a viable option for customers who have no other way to source their furniture. Customers overwhelmingly report a **positive impact on their finances as a result of using NFS.**



Figure 4. Word cloud: a single word that customers chose to describe NFS

<sup>21</sup> Turn2us (2020), "Living Without: The scale and impact of appliance poverty"

<sup>22</sup> Turn2us (2020), "Living Without: The scale and impact of appliance poverty"

<sup>23</sup> English Housing Survey, "Social Rented Sector Report, 2017-18"

Additionally, customers face less financial pressure and related stress when it comes to **dealing with broken furniture**, particularly white goods. Since **NFS does all the maintenance and fixing of the furniture free of charge** (provided it has not been purposefully destroyed), customers do not have to wait for a pay day to have enough money to pay for fixing the fridge and cooker or spend all their savings on it. This **reduces the likelihood of unexpected expenses which can be a cause of high level of stress and anxiety for people on low incomes**.

When prompted to think how their finances would look if they had not joined NFS, most customers agree that NFS is good value for money compared to alternatives. HACT has identified four routes through which financial impact manifests.

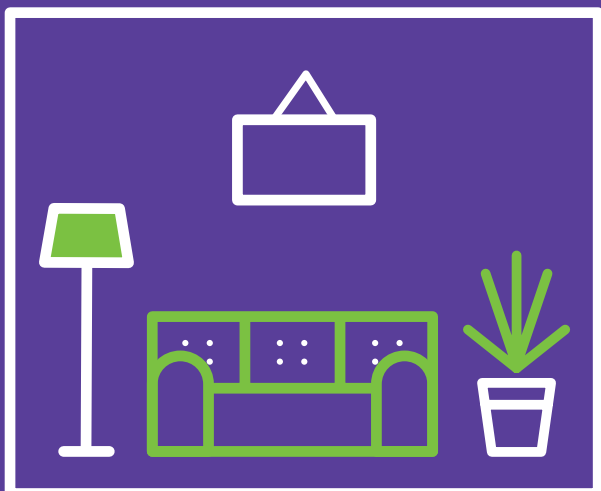
**1. Commercial alternatives.** Customers largely agree that similar services available in the private sector are not financially attractive. Using NFS usually saves customers money, compared to alternatives available to them. After being asked about alternatives, many customers reported that they would have most likely been worse off overall if they did not have the opportunity to use NFS. Using commercial services usually implies higher initial spend and overall cost due to higher weekly costs that cannot be covered by Universal Credit or Housing Benefit.

**2. Buying furniture - loans and savings.** Some customers would have attempted to purchase required furniture rather than join a similar scheme. To do so, most customers would have either borrowed money, tried to save funds by living without furniture for a while or get into debt sourcing money to buy items. This shows that NFS can serve as a more financially sustainable alternative to high cost credit or pay-day loans. One customer reported that she would have had to travel to use other people's washing machines. Quite often customers reported that they do not know how they would have managed if not for NFS.





### 3. Customer impact



**3. Savings on repairs.** Customers noted that getting emergency repairs for broken furniture, particularly white goods, can be expensive. NFS weekly cost is inclusive of repairs and therefore allows customers to save money on otherwise expensive repairs services. Customers also noted that some would be unlikely to have money for emergency repairs and so in a scenario of a broken cooker would likely have to live without fixing it for a while, or until they had saved enough money.

**4. Saving – putting money aside.** Lastly, quite a few customers mentioned that NFS not only cuts the initial cost of sourcing the furniture but allows – sometimes for the first time – to save in the long-term. This improves customers’ financial sustainability and resilience and leads to an overall less precarious financial situation. Moving home usually entails great expense, including moving costs. For some customers, NFS is a temporary solution that enables them to financially recover from these expenses and save for their own furniture. In the words of a customer, they intended to “use NFS until I got on to my feet”. Client organisations also note that the service “give[s] people a foot in”, and the ability to start a new tenancy without a massive expense.



## Increased wellbeing and health

Our understanding of the links between housing and health is improving. New research from The King's Fund, Public Health England and the NHS assert that good quality housing can be a preventative measure, support recovery and enable greater independence in the community<sup>24</sup>. Alongside the value of structurally sound, insulated, ventilated and damp-free homes, there are also health and wellbeing benefits associated with a home being adequately furnished as evidenced by research undertaken by *Turn2us*.<sup>25</sup> NFS customers highlighted a **number benefits of using the service and the positive impact this has had on their mental and physical health.**

Mental health benefits stem from the safety, security and comfort a permanent home can create. Unfamiliarity with an area and change to habits and routines after relocating can be challenging in itself. However, poor living conditions can exacerbate this with mental health charity *Mind* noting that living in unsafe, uncomfortable or insecure housing can cause stress, anxiety, panic and depression. It can also put extra stress on family and personal relationships.

As a space to unwind, and share with family and friends, a well-furnished home can be a stable foundation for individuals and families to flourish. Sofas, tables and chairs create a comfortable space, and enable a home to become a social space. Placemaking in the home is also important in **creating places that feel like a home**, and furnishing a home with sofas, tables and chairs is one way to do this. Customers reported the ability to **“take pride” in a home furnished with high quality items**. The positive feelings associated with the home where they live often leads to better maintenance of their home, which can also have an impact on tenancy sustainment by encouraging customers to stay in their home longer.

Access to the service also reduced customer's level of **worry and stress related to their financial situation and moving home**. Financial pressures and expenses associated with moving can be a source of heightened stress and anxiety. A lack of clarity around the size, location and furniture in the new home ahead of the move can also contribute towards anxiety.

<sup>24</sup> NHS England, (2015), “Quick Guide: Health and Housing Transforming Urgent and Emergency Care Services in England”; The King's Fund (2018), “Housing and health: Opportunities for sustainability and transformation partnerships”;

Public Health England (2019), “Homes for Health: collection of resources”

<sup>25</sup> Turn2us (2020), “Living Without: The scale and impact of appliance poverty”





Customers reported being “worried about money” as well as being able to afford furniture. In addition, some customers were well aware that they might need to get into debt to buy new furniture and using NFS has reduced worries about their future financial situation.

Moving home can be a particularly stressful experience even for people without prior mental health issues. Having furniture at the time of moving in gives some new residents “**peace of mind**”, helping them cope better with other arrangements, changes in circumstances and the practicalities of a move, such as arranging utilities, changing address on multiple records and getting set up. One customer noted that having furniture ready in the house made them “more confident being in my own place”. It reduced the pressure of an already stressful situation and makes the process of setting up a house less mentally demanding once residents know they will have a bed to sleep in and facilities to make a hot meal.

The **flexibility of furniture services** to adjust to changing life circumstances of customers is an important benefit. Customers can **increase or decrease the size of their furniture pack**, cancel it anytime or **change the contents**.

Customers noted that the most surprising element of the service was the quality of items and selection of furniture, as well as the speed of delivery. Those who have used the service to exchange items they no longer need or use (e.g. garden pack for a tumble dryer), appreciated having that flexibility and reported positive experiences with exchange. Changes in circumstances, such as a member of family moving out or changing property can be accommodated by NFS. For example, **one customer who urgently needed bunk beds in order to be allowed visitation and their children to stay overnight was supported by NFS. Without NFS sourcing and delivering bunk beds quickly, the visits would not have happened.**

Client organisations highlighted that in their experience, **residents preferred to have a choice over the type of furniture they need in the flat instead of ending up with the furniture of previous residents**. In their experience, with some alternative services, the furniture remains in the property once a previous resident has ended their tenancy and the new tenant did not necessarily need or want the items. In the case of NFS, once a tenancy ends, the furniture is returned to NFS meaning that properties can be re-let easier and this flexibility is particularly beneficial for those customers who might own some pieces of furniture already.



Using NFS has also contributed to **improvements in physical health**. As research has shown, key items such as beds, kitchen appliance and white goods, all of which are included in the NFS service offer to customers, make a huge difference to health.

Beds are necessary to avoid sleep deprivation that has been shown to have a negative effect on physical and mental wellbeing. Also poor-quality bedding can be a contributing factor of sleeplessness<sup>26</sup>. For example, one member of staff recommended a customer getting an adjustable bed which made a huge difference to their quality of life. The customer had limited mobility due to a stroke and the customer's wife had childcare responsibilities as well as her own health issues. The adjustable bed reduced the level of effort required to care

for her husband, giving her more time to look after herself and their children.

In homes without essential kitchen appliances including cookers, fridges and freezers, residents are more likely to be reliant on fast food, ready meals, or snacks which are less likely to provide good nutrition, and can contribute towards obesity. Washing machines not only enable cost savings compared to using launderettes, they also can have a positive effect on mental health and self-esteem. Through its Living Without campaign, *Turn2us* highlighted how living without a washing machine is especially problematic for those living with health conditions that require particular attention to cleanliness, like irritable bowel syndrome (IBS), epilepsy and eczema<sup>27</sup>.

## Lou's story

Lou\*, is an elderly female who have been with NFS for about ten years. She lives by herself and she was granted a tenancy after fleeing a very violent relationship. Lou had no money or furniture when moving in and NFS provided her with a bed, white goods and other furniture such as a wardrobe and chairs. The tenant found a particularly positive impact of the service to her physical and mental health.

"It was a life saver for me. It enabled me to move on and rebuild my life after a very violent relationship," – said Lou. She also recognised that if not for NFS, she would have probably had to borrow money to get the furniture.

\*name changed



<sup>26</sup> Mental Health Foundation (2011), "Sleep Matters: The impact of sleep on health and wellbeing" 2011

<sup>27</sup> Turn2us (2020), "Living Without: The scale and impact of appliance poverty"



## Susan's story






Susan,\* a single mum with two small children and a teenage son, had to flee domestic abuse and relocate with her three children urgently. There were only so many things that she was able to bring to her new flat: a bed and some white goods. NFS helped her source other necessary furniture and it came the next day after she moved into a new property. NFS made the move much quicker and less visible, given that she was fleeing an abusive partner. She welcomed NFS delivery drivers helping her assemble the furniture making it easier and quicker to move without her ex-partner noticing. Susan recognised that moving was a big life change on its own and having someone help out with the furniture made a real difference. Since the charge is covered by her Universal Credit, the service is seamless and has allowed her to set money aside to build a new home and future.

\*name changed

### Impact to vulnerable customers

Clients, customers and NFS staff unanimously agree that the service is particularly impactful to customers who are vulnerable or in the middle of big life changes. Many NFS customers are in particularly precarious circumstances. They often have to move quickly without a single item of furniture, while at the same time dealing with other changes in their lives. In some urgent cases, the service has scope for a rapid response and turnaround for furniture delivery shorter than seven days.

#### These circumstances include the following:

-  People fleeing domestic abuse or moving from a refuge;
-  First tenancy – young people & care leavers;
-  First tenancy – formerly homeless;
-  Moving on from a hostel (including treating addiction);
-  Moving on from probation services approved premises.

People who are on their first tenancy, particularly in situations such as leaving care, youth hostel or probation services, benefit in

multiple ways from the service. While for some it might seem trivial to acquire crockery and bedding, many customers do not have these items or cannot afford them to start with. Indeed, cutlery packs are very popular with more vulnerable people who have to move into a new property on short notice. This also applies to formerly homeless people who might be tenancy ready but do not have any possessions or income to create a liveable home for themselves.

As the service is bespoke and NFS deals with every case individually, it provides an **opportunity to tailor the service to those with greater support needs**. For example, for customers with limited mobility, it is possible to provide an upside-down fridge-freezer that is wheelchair accessible. **NFS has scope to provide reasonable adaptations where items are available and meet bespoke requests**. Where a customer has dementia and might be living in a specialist facility, NFS has previously supplied and fitted homes with induction hobs that ensure that customers do not burn themselves while cooking. The service also includes **complimentary assemblage of the furniture, whereupon added value is created to vulnerable and disabled customers who might not be physically able or have the necessary skills to assemble and connect the white goods themselves**.

# 4. Impact for organisations

HACT has identified a range of organisational benefits for clients using NFS. This section provides insights on the positive impact the service has on client organisations, such as **financial benefits due to shorter voids and reduced arrears**.

Having new furniture in the new home improves customer service and satisfaction. In addition, for some social housing providers, it would not be feasible to run a similar service in-house due to scale or lack of expertise.

## Financial benefit

NFS can provide financial benefits and improve the bottom line in two ways. Firstly, some clients choose to add an administration fee on top of the service charge that generates income and offsets cost of additional members of staff who coordinate the service in the client's organisation.

Secondly, analysis of YHN clients using the service shows that **NFS customers have on average £100 lower rent arrears than those who are not**. While this is based on YHN data, this is likely to be applicable across all customers.

### Average monthly arrears

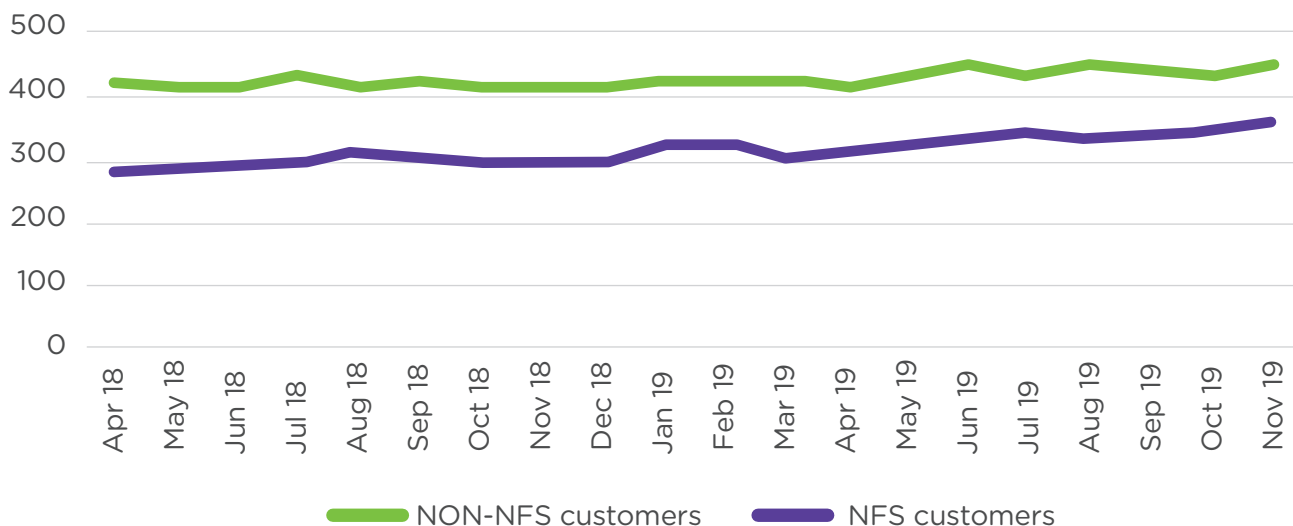


Figure 5 shows the average monthly arrears of a single resident over a period of 20 months among those YHN tenants using NFS and those who are not on the service<sup>28</sup>.

<sup>28</sup> While data for NFS customers was available for 36 months, HACT was able to access 20-month data for non-NFS residents.



The samples from each group have been selected at random to reduce selection bias and impact of other factors (such as income). It is clear from the figure that on average **NFS customers have lower monthly rent arrears compared to those not on the service. On average, their monthly rent arrears are lower by £109.54<sup>29</sup>**. It is important to note that the service does not prevent customers from developing or increasing arrears as such. Instead, it works as a preventative measure, helping customers to avoid accruing higher arrears that would occur if they had to source furniture themselves.

During the interviews clients unanimously agreed that the service is overall cost effective. While there might not be direct cost savings, one client noted that **the service helps with rent collection as tenants are in a better position to pay their rent when using NFS instead of more expensive alternatives or falling into debt to buy furniture outright**. One client noted that their residents who use a similar commercial service or pay day loans are often struggling financially. “We have a lot of issues with this in connection to rent arrears as they’re paying for high cost items”, said the client.

### Avoiding capital expenditure

Housing providers have few alternatives available on the market. As a result, many might consider bringing furniture provision in-house. However, as many clients noted during interviews, that often requires high level of capital expenditure. NFS, meanwhile, offers a service that reduces the overall risk, requires no capital outlay or high-risk projects. It also ensures that a new service has minimal impact on existing and often already stretched organisational resources.

<sup>29</sup> All customers at the beginning of signing up to Universal Credit will be on the initial rent arrears, which partly reflect higher rates of arrears across all the customers.

“We didn’t think it was something we could offer our customers without NFS.”

Client organisation using NFS

The scheme particularly works for smaller organisations that would not be able to afford major capital expenditure and logistics teams to deliver the furniture on time. For these organisations, having an in-house furniture service is not an option. They recognise the logistics of running a similar service are complex and not attainable with the limited resources of small- to medium-sized housing providers. As one of the client organisations suggested:

“There are huge benefits of another organisation doing it. We benefit from the economy of scale of NFS. We’re small and using NFS works for us.”

Client organisation using NFS



## Reduced void relets times

Based on YHN clients' insights into using NFS as a case example, we suggest that NFS has a positive impact on void relets times. **Having a furnished home makes a much more attractive property** resulting in a quicker uptake of a property.

**“We use it as a last resort if customers weren't able to take a tenancy because they don't have any furniture.”**

Client organisation using NFS

Furniture packs can indeed make hard-to-let properties look more attractive and in this way reduce what would otherwise be a much longer void. Furnished properties are more desirable, particularly when that comes at a low or no cost at all, since Universal Credit can cover the weekly cost of NFS. One of the client organisations noted:

**“We let properties quicker by having NFS which is a financial benefit for us”.**

Other clients had a huge success using the service as a last resort for tenants who otherwise were not able to take on a tenancy because they were not able to afford it.

To provide a specific example, prospective tenants are often reluctant to move into uncarpeted properties but with NFS's provision of rugs as a solution, property becomes much more attractive. Sometimes, the furniture set is already in the property when the prospective tenants comes for a viewing. In such a case, there is always a possibility to keep the furniture in the same property for the new tenant, upon their request.

Clients reported their experiences and perceptions on the link between furniture provision and tenancy sustainment, suggesting

that one of the key benefits of the service may be its positive contribution to the sustainment of tenancies<sup>30</sup>.

**“It enables us to grant tenancies to people who wouldn't have been able to take a property without the service. It's assisted with tenancy sustainment. It has reduced tenancy failure.”**

Essentially, having furniture reduces the risk of someone failing to maintain their tenancy. While tenancy sustainment is made up of multiple complex variables, further research and insight is needed to understand the specific and causal relation between furniture provision and successful tenancies. However, NFS indeed helps landlords support their tenants with whatever their needs or circumstances are over the duration of their tenancy.

**“Tenancy sustainment – knock on effect is that communities are settled, people look after their property as a home. Reduces other issues this way.”**

Client organisation using NFS

A client recognised that while it is difficult to measure tenancy sustainment, they have anecdotal evidence:

**“People have created a home rather than just somewhere to live. One customer went from being very chaotic but now with the support of NFS he has a home rather than a property to live in.”**

This was partly due to what clients commend as high quality products. Customers also agreed that having new items contributed to feeling settled in and creating their own home in the property.

<sup>30</sup> Without further research, HACT cannot determine if NFS, as an isolated factor, has any direct impact on tenancy length or tenancy sustainment. While we suspect furniture provision to have positive impact on tenancy sustainment, we also recognise that tenancy sustainment is impacted by a range of variables, tenancy length being only one and not necessarily the best indicator of successful tenancies. HACT calls for a wider sector research to be conducted to understand the elements of tenancy sustainment and impact of furniture to successful tenancies.

## 4. Impact for organisations

As we have mentioned in the previous section, data from the interviews suggests that customers start taking pride in the homes that have good quality furniture, which contributes to better maintenance of the property and positive impact on tenancy sustainment.

### Additional benefits

Additional benefits include support from NFS with marketing, training and understanding how it works. While some clients do have a designated co-ordinator, who help customers fill in the forms and send them to NFS, overall organisations agree that there is less admin work and practicalities than initially expected. The referral system is straight forward, easy to use for clients and saves organisational resources.

**“People are quick to tell us if it’s not good and we’ve not had that. The admin has been very smooth running. Queries are dealt with quickly. We’ve not had any complaints about the service.”**

Client organisation using NFS

NFS also provides additional support through training and marketing of the service to clients customers, for example, a show room or flat to let customers see furniture items ahead of joining the service. For example, one client had appropriate space in the office where new clients were signing up for a tenancy. NFS was able to set up some items of furniture in the same room for customers to see what furniture they could possibly get. While this is not attainable for all the clients because of

space requirements, it enables customers to make a better-informed decision as to whether to join the service. Overall, clients commended the support they received throughout the onboarding process as well as overall communication of NFS staff.

**“Having someone else doing it all, who’s used to doing all that takes away the headache.”**

Client organisation using NFS

### Improved customer service

During the interviews, clients also noted that NFS enables housing providers to provide a better customer service. Customers are usually very satisfied with the speed with which the furniture has been delivered, thus reducing the time people have to live without furniture. This leads to better overall onboarding and moving in experience that contributes to customer satisfaction. Because moving in can be a highly problematic process, any opportunity to create a positive experience for customers and avoid complaints is seen as a net positive from the client’s side. Therefore, some clients see NFS as a competitive edge that helps them to stand out in the market and improves customer service.





# 5. Impact of furniture during a national crisis

The impact of furniture provision became particularly visible during the COVID-19 public health emergency crisis throughout 2020. **NFS reacted quickly to changing circumstances and was able to respond to crisis situations.** Immediate and ongoing response enabled HACT to draw further insight into the benefit the service brings to individuals and communities.

The lockdown made having key furniture even more crucial. Lack of access to any alternatives, including closing down of some of the furniture services and retailers, exposed business risks of social housing providers. The ability to source furniture that make a property habitable at short notice in a crisis situation is likely to become a necessary part of future risk management process.

The negative impacts of a lack of furniture was exacerbated by the circumstances where

due to social distancing rules customers were not able to go outside and use other services, such as laundrettes, take away services or visit family and friends who might have supported with food and washing. **Customers using the service during lockdown recognised cookers and fridges as the most important items to have. They suggested that these items are instrumental – without them customers would risk exacerbating existing health and mental health issues and contribute towards the emergence of new health issues.** Customers also recognised that living without furniture under lockdown would have been even worse than in normal times. As we have established in the previous section, moving can already be a stressful experience, which became even more so during the lockdown when customers had health risks and additional barriers to source furniture.

## A client's story

*The Gateshead Housing Company* had been using NFS for about seven years when the national lockdown came into force in March 2020. When the lockdown started, they had a particular need to house the homeless and people fleeing domestic abuse in their community. “As a company we have a responsibility to house homeless people or vulnerable people during the health crisis. There would be a big issue of how they would have been able to move in without furniture or sustain their tenancies,” said the housing provider. The Gateshead Housing Company recognises that not having furniture would prevent individuals from leaving temporary accommodation. As a result, vulnerable individuals, unable to move on, would have blocked temporary accommodation for other people who needed it during the lockdown. “One tenant said – do you want me just to sleep on the floor? That could have happened without NFS as everywhere else is shut,” – said *The Gateshead Housing Company* employee.



## Adaptations to operational model

On the 23 March 2020, most NFS staff started working from home wherever possible due to the national lockdown. The scale of the service was substantially reduced, and a skeleton version was operating throughout the lockdown. Only a couple of vans operated each day with two members of staff working on the delivery of furniture in one-person teams. NFS mostly delivered essential items - cookers, fridges and beds - and temporarily stopped the delivery of items requiring two-people lifts, such as sofas and wardrobes. While deliveries to void properties did not require social distancing measures, in other cases customers were asked to open their front door and windows for ventilation and stay in another room while the items were being set up. All clients were informed about the changes to the service.

“It would be much harder if I had to live without my washing machine during lockdown. I have mental health issues and I wouldn’t have coped without my washing machine to keep everything clean”

////////////////////////////////////

Customer receiving repair service during the lockdown

**NFS prioritised particularly vulnerable and elderly customers to ensure that in crisis situations they were able to have basic necessities.** During the first few weeks of the lockdown, NFS worked with emergency rehousing cases. Many of these new customers were homeless individuals moving into emergency accommodation. Other new customers included women being relocated from refugees or fleeing domestic abuse, elderly or otherwise vulnerable customers.

Whilst at times it was complicated to assess which customers may be vulnerable, the service worked closely with housing officers and equivalent members of staff to ensure that all customers who were in a precarious position received the furniture they needed to move into a property.

The repairs service was also operating, providing emergency repairs to existing customers, albeit as an emergency service working on a case-by-case basis. For some customers, getting a repair done promptly was a life-saving service, enabling them to cook and feed themselves and their families.

## Simon’s story

Simon\*, a single man in his late twenties, was homeless prior to the lockdown. During the public health crisis, he was offered accommodation. He only had “a few bits and bobs” to bring to the flat but lacked the essentials. Through NFS he received a cooker, fridge, washing machine and bed. He suggested that the service not only allowed him to cook food, which he would not have done otherwise, but also took away “the stress of money or having to buy everything”. “It gives people a fighting chance to start living somewhere”, Simon said about the service, “it gives you a chance to pick yourself up.”

\*name changed



Customers who received repairs services noted that they did not feel safe or comfortable without working appliances under the lockdown as there were no alternatives for washing or eating (“**we can’t just go out for tea**”). “**I did without a cooker for a about a week and it was horrendous,**” said one customer who also commended the work of a member of staff who came to repair the cooker.


The service resumed on 6 July 2020, with guides and risk assessments in place to ensure social distancing and the safety of members of staff.

A one-way system was introduced, and additional washing facilities installed in the warehouse, in addition to plastic screens to enable teams of two delivery drivers to travel in the same vehicle. Hand sanitising gel and personal protective equipment were made available to staff. Staggered starting and break times were introduced to enable social distancing in the warehouse. The service also moved to a working system based on “pods”, consisting of small groups of people working together to avoid potentially spreading the virus.

During the time from the beginning of the lockdown on 23 March 2020 until 1 June 2020, NFS carried out:



## 179 repairs

 **57%** of which were washer repairs and **26%** of which were cooker repairs.



During this time, the service received

## 131 new customers

an average of 10 per week.

## Sadiq's story

For Sadiq\*, NFS was instrumental to getting his own tenancy and gaining independence. He had no furniture at all and could not afford to buy any. He had to move during the lockdown and in Sadiq's own words, “without the furniture I would not be able to move in”. Due to a previous tenant's debt, he did not have heating or hot water for the first 3-4 weeks after moving in. Having a kettle provided by NFS enabled him to “shower with a bucket” and wash himself. Having had to share accommodation with many people previously, life is very different now for him. “My dream has been answered,” he says, “I have my freedom.”

Sadiq is currently looking for a job and hopes to find employment through YHN's employability service. He will continue to use the service after he gets a job and hopes to be able to pay for the furniture himself in the future.

\*name changed





# 6. How the service works

This section provides background on the development and operation of NFS to establish a detailed picture of how the service works, its customer journey and client onboarding.

YHN is based in Newcastle, responsible for managing 26,700 council homes on behalf of Newcastle City Council (NCC). NFS (formerly known as the Newcastle Furniture Service) has been in operation for over 30 years. The service has a social purpose at its core, supporting communities with the necessary furniture that is key for individual wellbeing and comfort in their homes, thus contributing to alleviation of furniture poverty across England and Wales. Customers can select the furniture they need from a range of options and either pay the weekly charge themselves or have it covered by the housing element of Universal Credit or Housing Benefit. NFS also provides an install and repair service free of charge to their customers.

## Service drivers and objectives

The service started in 1989 as a second-hand furniture service to help young people move into a new home. At the time, 16-25 year-olds were excited to move into new properties but very few had financial resources to furnish them and often the tenancies broke down after six weeks. When voids teams came in to prepare the property for new tenants, they would often find mattresses on the floor and empty takeaway boxes, which suggested a lack of cooking appliances. These alongside the absence of a bed are not the signs of a happy and healthy home. Rather, they are indicative of an unfurnished and, subsequently, uninhabitable property.

As a result, the service emerged to assist young people with acquiring furniture. Soon, due to its ever increasing popularity, it was difficult to source second-hand furniture and NFS started buying new furniture and serving multiple social housing providers.

**Mattresses on the floor and empty takeaway boxes, does not signal a happy or healthy home.**

**Over 38 client organisations across England and Wales use NFS. In total NFS currently supports over 10,000 households across England and Wales, of which 5,400 are YHN residents. This accounts for about 20% of all YHN residents. NFS delivery drivers make 24,000 deliveries and collections each**

year from its warehouse based on YHN's site in Newcastle. The service employs nearly 50 members of staff who work to maintain 50,000 products that are currently on hire.

NFS's vision is to be the **first-choice provider of a flexible furniture rental service across the UK**. Supplying customers with a range of products to enable sustainable tenancies, offering a viable alternative to high cost credit. At the core of NFS, there is a social purpose, - to support new and existing customers to rent furniture and white goods that they may otherwise be unable to afford.





## Service delivery

NFS is run from its warehouse in Newcastle and currently employs 46 people, the majority of whom are delivery drivers, repairs and warehouse staff. All the furniture is stored within the warehouse. Referrals from clients are made directly to the NFS administration team who then take forward the orders from customers and agree a delivery date with housing officers or equivalent members of staff at the client organisation.

Staff at the warehouse assemble the packages based on the order. Point-based furniture packages are priced from £11 to £45 per week (as of 2020), depending on the size of the package. The table below details examples of types of packages based on varied points options. The most popular package is Option 1 (33.2%), followed by the mini option (29.69% of all customers). This suggests that **customers usually need a top-up or just a few items rather than a full set of furniture**. At any point in time, customers can change their items, and reduce or increase the packages. The range of furniture not only includes white goods and larger items, such as beds and wardrobes, but also other necessities for people with no possessions, such as crockery, bedding and gardening utensils. **All white goods are replaced after four years with no cost to the customers. NFS also provides a repairs service that is also delivered at no extra cost to the customer or client.**

<b>Mini option:</b>	up to 60 points
<b>Option 1:</b>	up to 110 points
<b>Option 2:</b>	up to 160 points
<b>Option 3:</b>	up to 200 points
<b>Option 4:</b>	up to 240 points



















Example of point-based furniture package options

In exceptional circumstances, NFS is able to provide **bespoke service and items for people with disabilities or living in sheltered accommodation**. Where possible, requests for specific items such as upside-down fridge-freezers or induction hobs can be met in order to support vulnerable customers.

The service is committed to avoiding landfill where possible and therefore aims to repair and reuse items. Where the former two routes are not possible, items are recycled via various available routes.

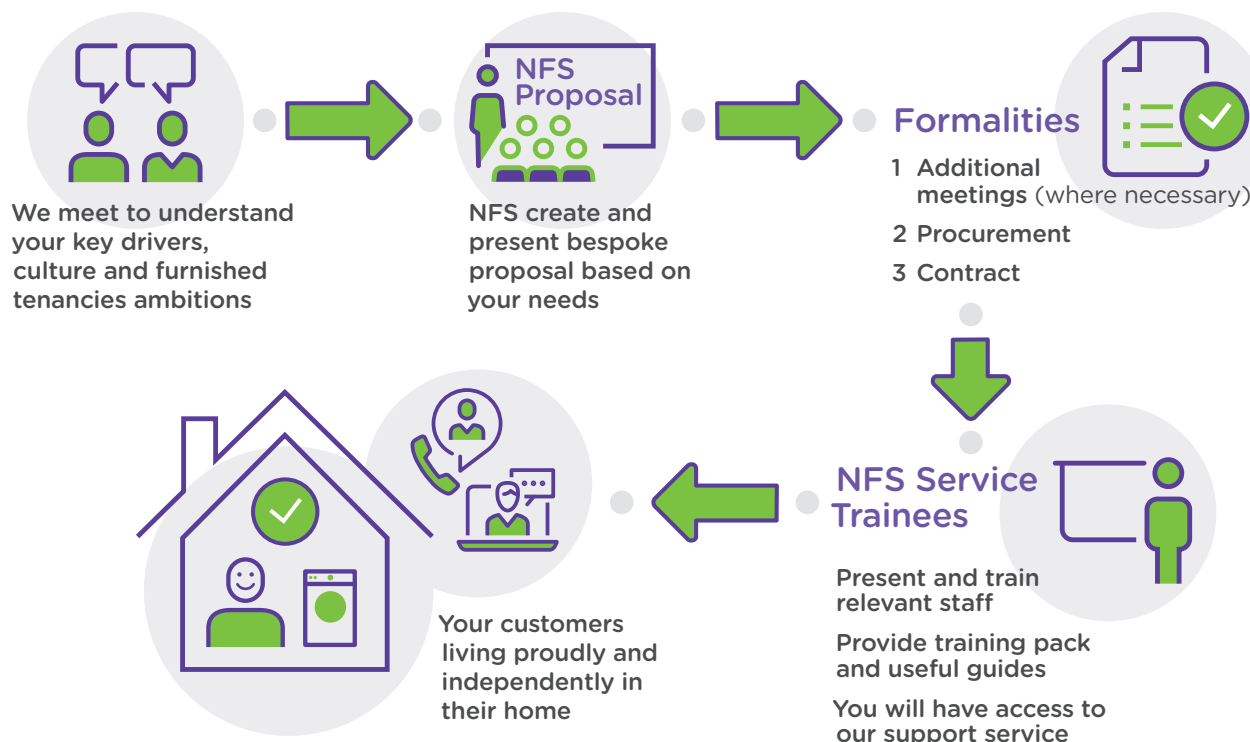
“The range is perfect for what we need.”

Client organisation using NFS

		
Cooker - Electric 16 points	Fridge-Freezer 18 points	Fridge 10 points
		
Condensed Dryer 15 points	Vacuum Cleaner 7 points	Microwave 5 points
		
Steam Iron & Ironing Board 6 points	Sofa - Leatherette 22 points	Chair - Leatherette 14 points
		
Chair - Fabric 14 points	Rug 9 points	Table 6 points Chair (each) 2 points
		
Wardrobe 12 points	Chest of Drawers 9 points	Single Head Board 4 points Single Divan Base 14 points Single Bedding Set 9 points
		
Single Profile Bed 32 points	Bunk Bed & Mattress 28 points	Cot, Mattress & Bedding 12 points

\*Kitchen pack includes crockery.  
Please note: Products shown are for illustration purposes only

### Organisation Journey



### Client onboarding

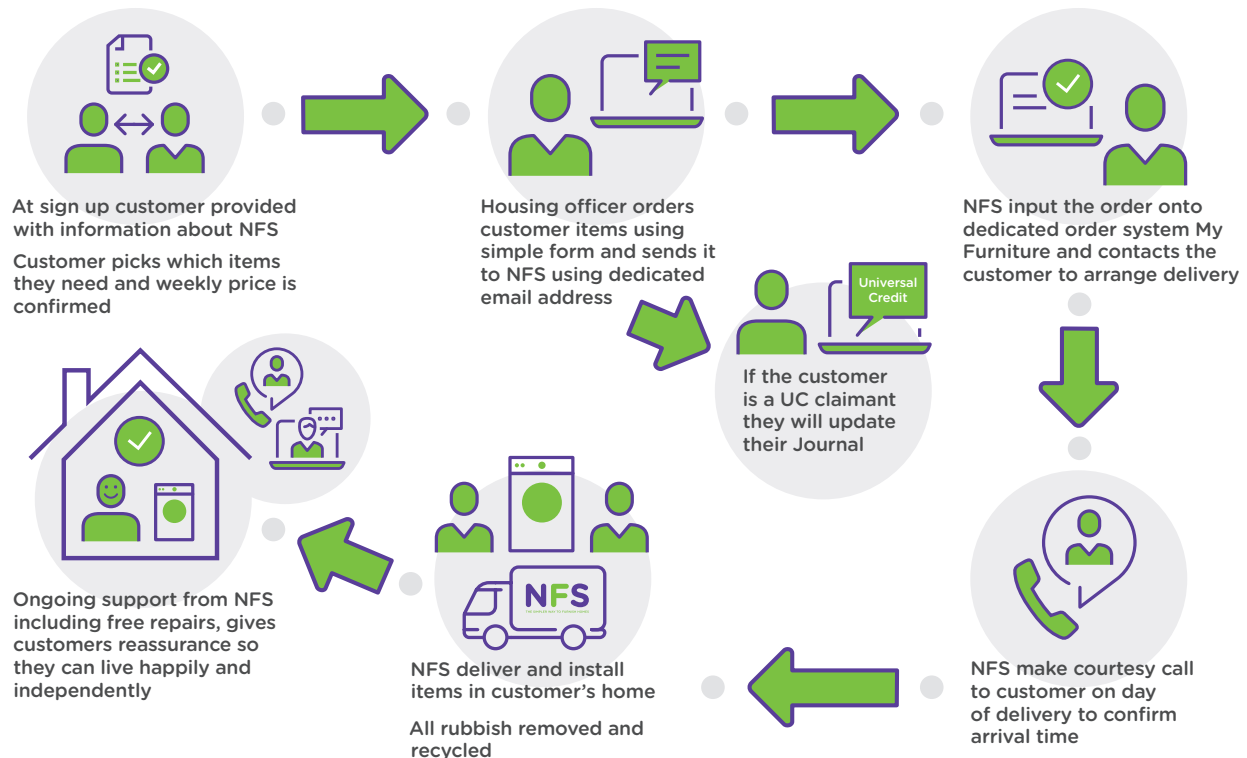
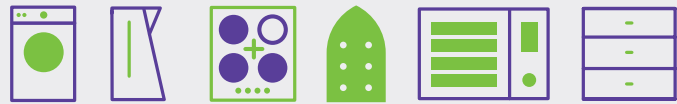
Client organisations wanting to offer NFS to their customers get in touch with NFS sales staff and arrange a meeting to go through the arrangements. As part of the onboarding process, NFS can provide training on how to manage the service internally or organise a

visit to the distribution centre for clients to familiarise them with the process and furniture available.

There is a lot of flexibility when it comes to clients tailoring the service to suit their organisational models and operating structures:

- **Coordination of the service.** Some client organisations have a dedicated coordinator(s) to assist their residents with onboarding and sending their application to NFS. This largely depends on the number of packages the client organisation has.
- **Affordability assessment.** In order to reduce the risk of failed payments, clients often choose to conduct affordability assessments before customers join NFS. If the customer is employed, the assessment may include going through their budget income and expenditure, to ensure a robust system is in place that will not hinder the tenancy sustainment or force them into unnecessary debt.
- **Main source or a top-up.** While some clients use NFS as a main source of furniture for their tenants, others first try to source free or low-cost furniture and use NFS as a top-up option where other alternatives have failed.

## Customer Journey



### Customer journey

Customers tend to sign up for the service at the beginning of their tenancy. Referrals to NFS come from a range of different sources such as friends, housing officers, support workers or equivalent members of staff, suggesting that word of mouth can be a strong route into the service. Overall, reasons for joining NFS vary: some customers join the service out of necessity, not having other options to source furniture, others wish to get one or a few items to add to their own furniture, yet others might not have the right type of furniture, e.g. gas rather than electric cooker.

The housing officer or equivalent officer completes the application form on behalf of the customer. At this stage they usually have their financial capabilities assessed to ensure they can afford the service. New customers



**Each package is tailor-made, containing only those items that the customer needs and wants.**



joining NFS are able to select furniture options from a list of points-based packages and usually make their selection on the spot.

**Each package is tailor-made, containing only those items that the customer needs and wants.** Subsequently, free delivery of items is arranged. In some cases, when the customer needs furniture urgently, for example, if they are fleeing domestic abuse, an earlier delivery can be arranged, depending on circumstances and availability of furniture. On the agreed date and time, NFS drivers deliver the furniture and assist customers with assembling, including making sure white goods are working

and are plugged-in appropriately. They also demonstrate the safe use of items and answer customers questions.

## 6. How the service works

NFS staff also deal with repairs and replacement of broken furniture - these are included in a weekly charge and customers are not charged extra for this service.

**Replacements of white goods every four years are carried out at no extra cost to the customer.** While for some customers NFS is a long-term solution, many use it as a temporary measure that allows them to save money and eventually acquire their own furniture over time.

**The service can be covered by the housing element of Universal Credit or Housing Benefit,** which means that the furniture has to be rented rather than sold to customers. Whilst some customers would like to own the furniture after they stop using the service, it is not possible given the charge is covered by the public funds. The same conditions apply to customers who are self-funding and may be working full-time. As many as 14.8% of YHN residents using NFS pay for the service themselves.

### Impact for communities

Existing research has shown that furniture provision services can create a range of social benefits. In 2007, an evaluation of *Yorkshire Housing Group's* Fresh Start Scheme (which provided furniture for tenants) reported a **£2.11 social return for every £1 spent**. Some of the benefits reported include the creation of a viable home, improved confidence and improvements to the sustainability of tenancies<sup>31</sup>.



Further environmental benefits are created by avoiding sending to the landfill furniture that is still serviceable. For example, while not a strictly furniture service, *Orbit Housing* ran a 12-month pilot in Stratford-upon-Avon, in which new tenants were gifted floor and window coverings from previous tenancies.

From the time savings for the property services team, to the reduction in items being sent to landfill, the scheme was judged to be 'cost-neutral', whilst delivering social value to the tenants<sup>32</sup>.

Through its delivery and supply chain NFS delivers a range of social and environmental value as well as a positive impact on communities it works in.

Currently, in order to ensure sustainability of the service and further benefit the local community, NFS operates the Goods to Go scheme. Through the scheme social housing and private providers can acquire **recycled and refurbished goods, formerly used by NFS customers, at a reduced price**. Items that have been used on the service for four years and then replaced with new ones but are still serviceable are made available for purchase to landlords. In cooperation with the Supporting Independence Scheme in Newcastle, people in the local community are offered items from the Goods to Go service. Through this scheme, people give the items a second life and therefore make NFS a more sustainable service.

### Emergency and crisis support

NFS staff have also supported customers in emergency situations, working as a liaison between community and customers, where the loss of furniture has been unexpected and rapid. For example, in 2012, severe flooding took place in the Newburn area of Newcastle. NFS at the time gifted many goods to local residents whose homes suffered from the damage done by the flooding.

<sup>31</sup> Ambros, A., Batty, E., Eadsson, W., Hickman, P. and Quinn, G. (2016). Assessment of the need for furniture provision for new NIHE tenants. Project Report. Sheffield, Sheffield Hallam University.

<sup>32</sup> Orbit & Child Poverty Action Group (2018), "Providing tools to help families thrive"



“All the NFS staff pulled together and stayed back after work to help”. NFS has previously provided emergency furniture on short notice in other types of crisis situations, such as fires.

NFS, in partnership with the Refugee Move on Team, has also committed to helping 100 displaced Syrian families. These families are in particularly vulnerable situations, since after fleeing their home countries they do not own or have a single furniture item needed to start a new life and move to a new home. NFS supports these families with full furniture packs to enable them to have an appropriate start in their new life.

## Community wealth building

NFS is an example of community wealth building in practice, through its use of local, community focused suppliers with a social purpose. **NFS creates jobs in the local economy and works with local suppliers and social enterprises to create opportunities and investment in the community.** NFS provides opportunities for young people in the community through its apprenticeship scheme, which also has scope for further offers of employment opportunities. During the focus group it emerged that many members of staff have been with NFS for many years, some, over a decade, which is a sign of a stable and reliable employer. NFS is a good example of an anchor institution that is committed to a sustainable delivery model and is community focused throughout its value chain, as the following examples suggest.

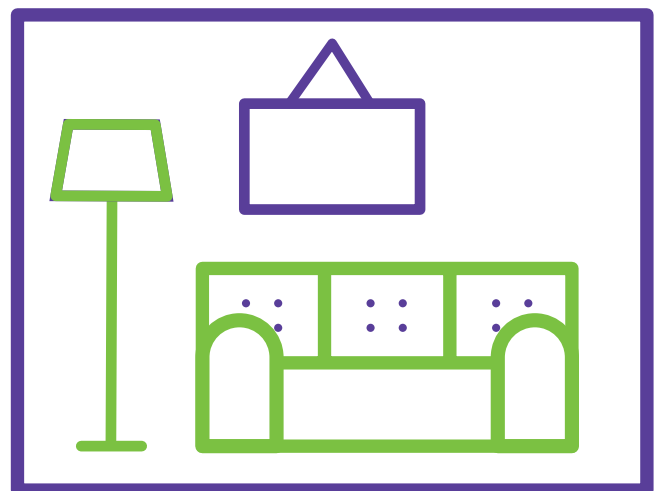
## NFS Warehousing and Distribution Centre

NFS has one distribution centre in Newcastle, employing nearly 50 local people, most living in Newcastle, some North Tyneside and some in Gateshead. NFS provides good jobs, and opportunities for career progression.

Warehouse and delivery staff can receive customer service, electrical appreciation, manual handling, PAT testing, lift truck driving (for certain roles) and pedestrian truck driving training.

## Palatine Beds: Good Jobs for Local People

Palatine Beds is a supported business and social enterprise managed by YHN. Founded as a council workshop for the blind in 1907, Palatine has a long history of giving disabled people equal access to good jobs. **As a supported business, 70% of staff have some form of disability.** Palatine works with local government organisations to help disabled people into secure employment, with the average length of employment 12 years<sup>33</sup>. **Palatine supplies all the beds rented through NFS** but has become a viable and successful enterprise in its own right, winning a four year, £4m contract to supply mattresses to MOD barracks in the UK and Europe. Palatine conducts business from a 150,000 square foot factory in Westerhope, in west Newcastle.<sup>34</sup>



<sup>33</sup> Palatine Beds, “About Us”

<sup>34</sup> Newcastle Gov (2019) “Palatine Beds wins major national contract”

# 7. Methodology

To holistically assess the empirical evidence about the service, HACT designed a robust research model using a mix of qualitative and quantitative methods. This model is effective in providing a comprehensive picture of customers using the service and the multifaceted impact that the service generates not just for the business, but for customers, communities and clients.

HACT's research methodology is by design flexible and has been adapted with the YHN team to correspond to YHN's vision and future plans. Given the context of the national public health crisis, the methods were adapted to reflect emerging operations and optimise the findings where possible.

Four distinct research methods were used in the research study, which together provide a rich holistic picture of the service and its wider impact.

## Desk research

This included a review of a wide range of grey and white literature to establish the impact of furniture poverty to individuals and communities, as well as existing furniture provision in the sector.

## Quantitative research

To understand the full impact of the NFS, HACT has analysed data of 37,078 current and former residents of YHN. 6,747 of this sample were existing or former YHN customers who have used the service at some point during the 36 months prior to November 2019 (and joined NFS between April 2005 and November 2019). Some of these have used the service in the past but no longer use it now. 1,625 of these have had their tenancies ended at the time of the analysis.

HACT analysed 30,331 current and former YHN residents who have never used NFS service before. The purpose of including this group in analysis was to compare with the outcomes of those who have used NFS and understand the full impact NFS brings to its customers. The sample size gives us confidence to make inferences that extend beyond YHN tenants using the service and

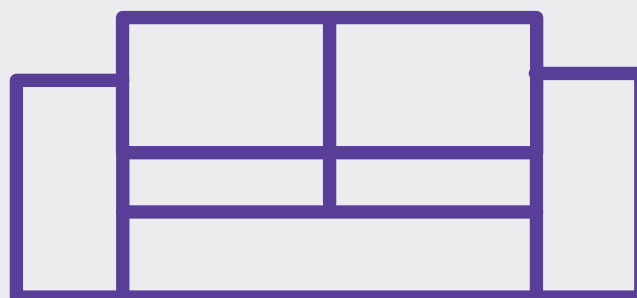
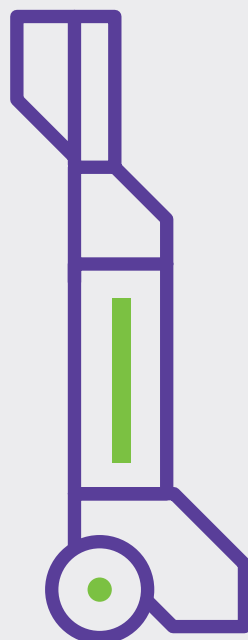
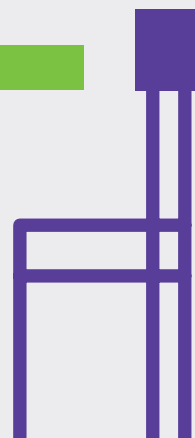
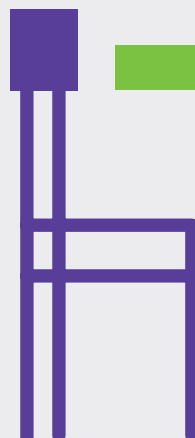
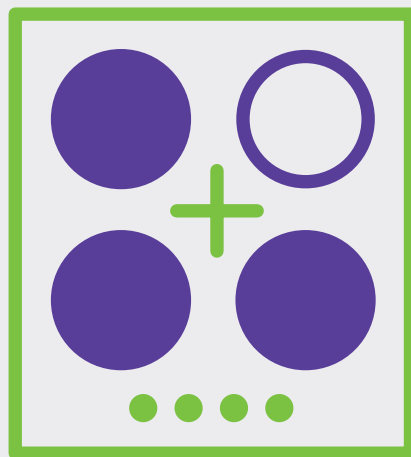
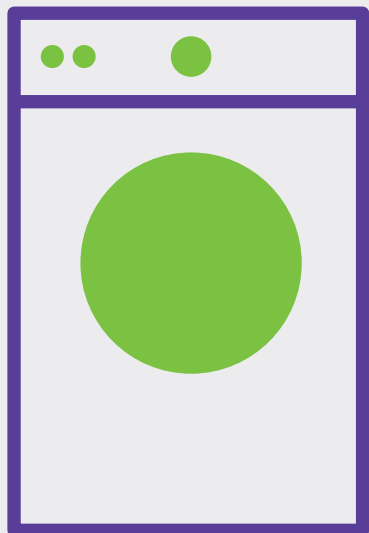
assert that the customer group using NFS in other client organisations will have similar demographic characteristic and outcomes. While customer bases inevitably differ across all clients, this is a good indicator of the wider customer group.

## Qualitative research

The research study collected qualitative insights through structured interviews with internal and external stakeholders. Through this project, HACT supported YHN to increase internal research capability. HACT collaborated with YHN staff to design and develop a qualitative research guide, which encompassed a suite of topic guide and question sets for interviews as well as data collection templates. Using this guidance, YHN carried out the following data collection activities:

- Interviews with three clients, housing associations currently using NFS services;
- Interviews with 29 customers. Customers were selected randomly whenever possible, ensuring representation of customers across the length of time they have been using NFS (three categories, up to 3 months, up to 6 months, longer than 6 months);
- Six additional interviews were conducted with customers who received furniture or repairs during the lockdown (May 2020);
- A focus group with six frontline NFS staff to better understand the full operational model and impact of NFS to the wider community.

In addition, HACT interviewed key internal stakeholders who were engaged to better understand the full operation model and impact of NFS to clients and customers.



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