

Attachment 2

New Westminster Rent Bank 2021-2022 Annual Report

NEW WESTMINSTER RENT BANK



FIFTH ANNUAL REPORT 2021-22



Report Summary

The New Westminster Rent Bank's (NWRB) has completed its fifth year of operation! This report covers the period from April 1, 2021 to March 31, 2022.

The NWRB is a program that provides low-cost, no interest loans to low to moderate income residents of New Westminister who are at risk of eviction or disconnection of essential utilities due to a temporary and unexpected financial crisis.

Response to Covid-19

Once again Covid-19 has had a significant impact on the delivery of rent bank services for all rent banks across BC including the NWRB.

For the safety of both applicants and staff, the New Westminster Rent Bank has realigned its service delivery to be more reliant on electronic access through the internet and email. The NWRB and staff have continued to work on site and have been available for in person meetings for those who are not able to access the internet.

In 2020 the City of New Westminster graciously provided additional funding to the NWRB to support New Westminster residents living in rental accommodation and impacted by the COVID-19. This funding has allowed the NWRB to have a strong loan capital pool from which to provide loans.

As well, the NWRB has extended its program to allow borrowers with good repayment records who have not fully repaid their loans to apply for a new loan. Allowing borrowers with good repayment records to apply for another loan before their previous loan has been fully repaid has proven to provide assistance to a number of residents of New Westminster to remain housed. In addition, those who have been provided with a new loan have continued to maintain their loan payments.

Additionally, the NWRB has been able to offer rent subsidies and grants to loan applicants who needed additional support beyond the amount available through a loan. This funding has proved to be invaluable in supporting the residents of New Westminster to remain housed. The funding for rent subsidies and grants was made available by the BC Rent Bank from the federal Reaching Home Covid-19 Response Program.

Location

The NWRB is located at the Purpose Society offices at 40 Begbie Street in downtown New Westminster. This location allows for easy access by bus and Skytrain. Information on the NWRB is available on the Purpose Society website at: <https://purposesociety.org/events/categories/rent-bank/new-westminster-rent-bank/>. The NWRB can be contacted by phone at: 604-526-2522 and email at: newwestminsterrentbank@purposesociety.org

Loan Maximums

The maximum loan amount for an individual is \$1,400 and for families (2 or more people living in a family like relationship) the maximum loan amount is \$1,700.

Income Qualifications

The NWRB uses the same measure (HILs – Housing Income Limits) as BC Housing to determine income qualifications. This has allowed more residents of New Westminster to access the services of the NWRB. By using HILs, the NWRB is in line with other housing support programs.

Loans

From April 1, 2021 to March 31, 2022, the NWRB provided 34 loans supporting 99 adults and children in New Westminster. A total of \$46,862.91 was dispersed in loans. A significant number of loans were provided in response to the COVID-19 pandemic, which is demonstrated by the increase in applicants who have experienced illness/medical crisis, job loss/reduced hours, and change in living situation.

Pre-Assessments

From April 1, 2021 to March 31, 2022, the NWRB received 153 Pre-Assessment forms.

Inquiries

Approximately 208 inquiries were handled by the NWRB staff from April 1, 2021 to March 31, 2022.

Rent Subsidies and Grants

The NWRB has again this year been able to provide rent subsidies and grants to loan applicants who required additional financial assistance beyond a loan. The rent subsidies have been used to bridge loan applicants for up to three months until they receive additional income, an ongoing subsidy, obtain subsidized housing or achieve a reduction in expenses. Grants were provided to loan applicants who required support beyond the loan maximum available or where it would have been a financial hardship for them to repay a loan. This fiscal the NWRB provided 22 rent subsidies and grants for a total amount of \$19,454.35 .

Repayment

The annual repayment rate for the NWRB was 69%. This rate is reflective of rates seen by other rent banks in BC. It is to be noted that the calculation of this rate does not include payments where arrangements had been made with borrowers to defer payments. The NWRB now has a total of 62 loans that have been paid in full.

Demographics

In this report, the demographics are of those who received loans, rent subsidies and grants from April 1, 2021 to March 31, 2022. We have included all people who received support through the NWRB no matter the type of support. Throughout this section they are referred to as “Recipients”.

The largest percentage of recipients (33%) were aged 40-49. Recipients aged 30-39 (26%) and aged 50-59 (25%) were the second largest age groups. Most recipients were single (50%). Lone parent families represented 38% of recipients. 55% of recipients identified as female and 45% identified as male.

The largest income group (43%) was recipients earning \$10,000 - \$19,000 per year. The second largest group (23%) was recipients earning \$20,000 - \$29,000 per year. Recipients earning \$30,000 - \$39,000, was the third largest group (17%). 85% of all recipients earned less than \$40,000 annually.

The most common income source of recipients was Employment (49%). This includes both full-time and part-time employment. 44% of recipients were receiving Child Tax Benefits. The third most common income source of recipients was Income Assistance Benefits – both Basic and Persons with Disability (PWD) Assistance (33%). This was closely followed by Unemployment Insurance Benefits and Other income which includes Covid-19 related benefits (33%).

Reasons for Assistance

This year illness and medical crisis returned as the most common reason for requesting rent assistance being 32% of potential recipients. Other (22%) and job loss/reduced hours (21%) were the next two most common reasons for potential recipients to request rent assistance. Change in living situation represented 19% of potential recipients. The impact of Covid-19 is reflected in job loss/reduced hours and change in living situation representing a total of 40% of potential recipients requesting rent assistance. Job loss is certainly a strong indication that people either lost employment due to businesses closing either temporarily or permanently. As well, roommates having to move out, family members having to move home, the need to find less costly accommodation again reflect the impact

of Covid-19. Additionally, illness and medical crisis includes potential recipients off work due to Covid-19 or exposure to someone with Covid-19.

Acknowledgements

The NWRB would like to acknowledge the generous support of our funders. The City of New Westminster contributes to the NWRB's operating expenses. Additional operation funding of the NWRB was been provided by the BC Rent Bank. A significant contribution to the NWRB's loan capital was made by the City of New Westminster in March 2020. These funds have allowed the NWRB to continue in this fiscal to meet the needs of residents of New Westminster to remain housed. Additional financial support was provided by the BC Rent Bank from the federal Reaching Home Covid-19 Response Program, which allowed the NWRB to provide rent subsidies and grants in addition to loans.

Thank-you to the volunteers on the NWRB Loan Review Committee for your commitment and dedication to the NWRB.

Thank-you to the volunteers who have helped in data recording and improvement to our data collection.

Program Description

There are multiple ways to contact the NWRB including telephone, email, Facebook and walk-in. With the creation of an online Pre-Assessment form and as a result of Covid-19 online applications have replaced telephone contact as the primary source of access to rent bank services by residents of New Westminster.

The first step for potential borrowers is to complete a Pre-Assessment Form. This tool screens applicants to determine if they meet eligibility requirements for a NWRB loan. All individuals who complete a Pre-Assessment are contacted by the Rent Bank Case Manager/Worker, regardless of their eligibility for a loan.

The two most common reasons for ineligibility include:

- Not a New Westminster resident
- Living expenses regularly exceed income (not a temporary crisis)

Applicants who did not meet eligibility requirements are offered a referral to other community resources. These include credit counselling, income supports, subsidized housing programs, advocacy programs, food support programs and employment services. Many of the applicants who did not meet eligibility requirements were referred to other programs offered by Purpose Society such as the Housing Program, Food Hamper Program and Food Bank.

Applicants who complete a Pre-Assessment Form and met basic eligibility requirements were invited to complete a full loan application. Applicants who did not meet the basic eligibility requirements were referred to Purpose Society's Housing Program. This is a pilot program which supports residents of New Westminster to locate housing, secure housing and with household set-up. This pilot has provided support to a significant number of people who did not qualify for assistance from the NWRB.

The Rent Bank Case Manager assists clients in completing the loan application and ensuring all required supporting documentation (such as tenancy agreements and financial statements) is received. Additional documentation may be required depending on the applicant's circumstances. This may include medical information, letters confirming employment, letters confirming application for subsidized housing, or confirmation of appointments with credit counselling.

All completed loan applications are submitted to the NWRB Loan Review Committee for review and determination on the granting of a loan and the amount of a loan. This Committee is usually comprised of one representative from each of the following: City of New Westminster, a local credit union, and resident in the community. Due to Covid-19, an adjustment to the make-up of the NWRB Loan Review Committee had to be made as the local credit union member has not been able to participate due to the impact of Covid-19 on that person's responsibilities at their branch. A Purpose staff member from another program has graciously stepped in to be a temporary member on the Loan Review Committee. With the easing of Covid-19 restrictions the local VanCity branch will be approached to see if a staff member can once again join the Loan Review Committee.

Successful applicants receive a cheque payable to their landlord or utility company when they sign a loan agreement. The loan agreement sets out the loan repayment schedule and repayment amount. All loans are interest free. Loan repayment is set between 6 – 24 months depending on the applicant's ability to repay and the amount borrowed.

All borrowers consent to the NWRB establishing automatic withdrawals from their bank accounts or social assistance funds. Borrowers are able to request deferral of payments without penalty.

Borrowers may also make additional payments or lump sum payments on their loans at any time without penalty.

For accounts that are delinquent, the Rent Bank Case Manager will follow up by phone, email and mail to check on the status of the borrower and determine whether deferred or reduced payments are necessary.

For unsuccessful applicants, referrals are offered, together with an explanation of why the Loan Review Committee did not approve their loan. Where appropriate, an invitation to resubmit an application addressing the concerns of the Loan Review Committee is offered. The reasons for not approving an application are varied, but commonly involve concerns about the applicant's ability to repay the loan, excessive debt, or the inability of the loan to stabilize the applicant's housing situation for 90+ days.

Quarterly Summaries

April – June 2021

Pre-Assessment and Loan Information April – June 2021							
Quarterly Total Pre-Assessment	Ineligible	Applied	Withdrew Application	Loans Issued	Grants Issued	% Loans and Grants Issued from total Pre-Assessments	Quarterly Total Loans and Grants (\$)
30	2	28	19	2	7	30%	\$9,058.16

Repayment Information April – June 2021		
Repayment Total (\$)	Expected Repayment (\$)	Repayment Rate by \$ (%)
\$8,449.74	\$11,394.60	74%

Inquiry Information April – June 2021			
# of Inquiries for the Quarter	# of Inquiries for Apr	# of Inquiries for May	# of Inquiries for Jun
39	11	20	8

July – September 2021

Pre-Assessment and Loan Information July - September 2021							
Quarterly Total Pre-Assessment	Ineligible	Applied	Withdrew Application	Loans Issued	Grants Issued	% Loans and Grants Issued from total Pre-assessments	Quarterly Total of Loans and Grants (\$)
42	4	38	17	13	8	50%	\$24,542.06

Repayment Information July – September 2021		
Repayment Total (\$)	Expected Repayment (\$)	Repayment Rate by \$ (%)
\$7,148.79	\$11,195.59	64%

Inquiry Information July – September 2021			
# of Inquiries for the Quarter	# of Inquiries for Jul	# of Inquiries for Aug	# of Inquiries for Sep
53	9	15	29

October – December 2021

Pre-Assessment and Loan Information October – December 2021							
Quarterly Total Pre-Assessment	Ineligible	Applied	Withdrew Application	Loans Issued	Grants Issued	% Loans and Grants Issued from total Pre-Assessments	Quarterly Total of Loans and Grants (\$)
36	11	25	12	9	4	36%	\$15,889.68

Repayment Information October – December 2021		
Repayment Total (\$)	Expected Repayment (\$)	Repayment Rate by \$ (%)
\$9,296.85	\$12,074.63	77%

Inquiry Information October – December 2021			
# of Inquiries for the Quarter	# of Inquiries for Oct	# of Inquiries for Nov	# of Inquiries for Dec
51	19	24	8

January – March 2022

Pre-Assessment and Loan Information January - March 2022							
Quarterly Total Pre-Assessment	Ineligible	Applied	Withdrew Application	Loans Issued	Grants Issued	% Loans and Grants Issued from total Pre-Assessments	Quarterly Total Loans and Grants (\$)
45	10	35	22	10	3	29%	\$16,827.36

Repayment Information January - March 2022		
Repayment Total (\$)	Expected Repayment (\$)	Repayment Rate by \$ (%)
\$8,106.97	\$13,109.53	62%

Inquiry Information January – March 2022			
# of Inquiries for the Quarter	# of Inquiries for Jan	# of Inquiries for Feb	# of Inquiries for Mar
65	22	17	26

Annual Summaries**12 Months (April 2021 to March 2022)**

Pre-Assessment and Loan Information: (April 2021 to March 2022)							
Total Pre-Assessment	Ineligible	Applied	Withdrew Application	Loans Issued	Grants Issued	% Loans and Grants Issued from total Pre-Assessments	Annual Total Loans and Grants (\$)
153	27	126	70	34	22	37%	\$66,317.26

Repayment Information: (April 2021 to March 2022)		
Repayment Total (\$)	Expected Repayment (\$)	Repayment Rate by \$ (%)
\$33,002.35	\$47,774.35	69%

Inquiries

Total number of Inquiries from April 1, 2021 to March 31, 2022 is 208. It is to be noted that inquiries are an approximate figure as they are recorded by hand by staff at the time the inquiry is made. This information is then transcribed into the Inquiry spreadsheet for recording purposes. There has been a reduction in the number of inquiries received since the creation of the BC Rent Bank website where Pre-Assessment forms are available for every rent bank within BC.

Loan Trends

Loan Repayment	
Repayment Rate	69%
Recouped Dollars	\$33,002.35
Number of Loans Fully Paid	62
Loans Provided	
Average Loan Amount	\$1,378.32
Loans Given	34
Total Amount Loaned	\$46,862.91

Grant Trends

Grants Provided	
Average Grant Amount	\$884.29
Grants Given	22
Total Amount Granted	\$19,454.35

Program Sustainability

With the funding commitment from the City of New Westminster to support the New Westminster Rent Bank for the next two years and the short-term sustainability of the program is ensured. Further the funding received from the BC Rent Bank towards operating expenses and loan capital ensure the New Westminster Rent Bank will continue to be available to provide service five days per week and operate for the foreseeable future. It is anticipated that the funding requirements of the NWRB will be met for the next 2-5 years. As rent bank borrowers are those who would be determined as risky borrowers and

would not receive loans from standard financial institutions, the repayment risk is much higher. Additionally, most rent banks do not charge interest, so this means of covering risk is not available. Both result in the need for regular replenishment of loan capital.

Overall Demographics (Loans and Grants) from April 1, 2021 to March 31, 2022

NOTE: Some applicants received both a loan and a grant or rent subsidy. Due to this the total number of loans and grants is not equal to the totals reported in the charts that follow. Once again the term “Recipient” is used in this section.

Age	Number of Recipients	% of Recipients
18-29	3	6%
30-39	13	26%
40-49	16	33%
50-59	12	25%
60-69	3	6%
70 +	2	4%

Gender	Number of Recipients	% of Recipients
Male	22	45%
Female	27	55%

Household Size	Number of Recipients	% of Recipients
1 person	19	40%
2 people	15	31%
3 people	9	19%
4 people	2	4%
5+ people	3	6%

Annual Income	Number of Recipients	% of Recipients
< \$10,000	1	2%
\$10,000 - \$19,999	20	43%
\$20,000 - \$29,999	11	23%
\$30,000 - \$39,999	8	17%
\$40,000 - \$49,999	4	9%
\$50,000+	3	6%

Household Composition	Number of Recipients	% of Recipients
Single Living Alone	18	38%
Single Living With Roommate	6	12%
Couple W/O Children	2	4%
Couple With Children	4	8%
Single With Children	18	38%

Income Source	Number of Recipients	% of Recipients
Income Assistance	4	8%
Persons With Disability	12	25%
Employed	24	49%
Employment Insurance	7	14%
Canada Pension/OAS/GIS	4	8%
Child Tax Benefit	22	44%
Private Pension	0	0%
Private Disability	4	8%
Other	9	18%

***Note:** The above table will total to more than the number of recipients as some recipients have multiple income sources.

Type of Crisis	Number of Pre-Assessment Applicants	% of Pre-Assessment Applicants
Illness/Medical	49	32%
Accident	10	7%
Job Loss	32	21%
Homelessness	9	6%
Lack of Access to Bank Account	2	1%
Reduction in Work Hours	26	17%
Earnings Claw Back	9	6%
Delay in receiving EI, Social Assistance, Pension	15	10%
Domestic Violence	8	5%
Change in Living Situation	29	19%
Moving Expenses	2	1%
Other Unexpected Expenses	11	7%
Delay in Work Pay	2	1%
Cut Off EI or Social Assistance	9	6%
Lost Money	3	2%
Money Stolen	8	5%
Other	33	22%

***NOTE:** The above will total to more than the number of Pre-Assessments received as applicants may have more than 1 type of crisis as a reason to apply for assistance from the NWRB.

Impact of the NWRB

The individuals and families who receive support from the New Westminster Rent Bank are truly grateful. To quote one recipient of a loan, “I must thank you for being the very definition of kind throughout the whole process with Rent Bank...Would that it were so easy and pleasant in dealing with so many others, particularly when finances are involved.”

Program Updates

- The Covid-19 pandemic continued to have a significant impact on the request for rent bank services not only in New Westminster, but across all rent banks in the Province. With the continued increases in rents, rising food costs, and rising fuel costs it is anticipated demand for rent bank services will remain high in the upcoming year.
- Being able to provide grants and short-term rent subsidies in addition to loans has had a significant impact on the ability of the NWRB to support renters in New Westminster through the unprecedented challenges of the Covid-19 pandemic. The Purpose Society Rent Banks intend to support the BC Rent Bank in an application to receive further funding to provide grants for the upcoming year.
- The Loan Review Committee meets every week based on applications received. The composition of the Loan Review Committee has continued this year with one City of New Westminster staff member and two members of the community with a history of working with vulnerable populations and people living in poverty. The Loan Review Committee members have been very dedicated and gracious in providing their time and sharing their wealth of knowledge. It is anticipated that a member from a local credit union will be joining the Loan Review Committee in the upcoming year.
- This year once again due to Covid-19, presentations to community groups have been limited to virtual means. The NWRB Case Worker has been active on a number of community groups and connected with a number of community agencies in New Westminster.
- The New Westminster Rent Bank now permanently operates Monday to Friday from 8:30am to 4:00pm.
- The NWRB is part of a province-wide coalition of rent banks to enhance rent bank services within BC and to develop promising practices for rent banks.
- Lynda Gordon-Fletcher, Bruce Foster and Don Lin have supported new rent bank service providers as rent bank services were expanded to new regions of the province.

- Bruce Foster was one of the rent bank case managers who provided virtual training for new staff at rent banks within the province.