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PayPoint survey reveals renters' long term post-COVID 19 financial concerns

- **Quarter of private and social renters have fallen behind on rent payments**
- **30% of social renters are concerned about their long-term financial situation post-COVID-19**
- **1 in 5 renters would welcome a digital payment tool offering reminders and flexible terms**

Welwyn Garden City, 14th July 2020: As the UK eases out of lockdown and approaches the end of the furlough scheme, a survey of social and private renters* by the payment provider, PayPoint, has revealed significant concerns regarding future ability to pay on time. 25% of respondents are already at least a month behind on their rent, and a third are concerned about the impact COVID-19 has had on their long-term financial situation.

Encouragingly, 40% of social renters are confident that their long-term financial situation will improve as the UK recovers post-COVID-19, and most of those who have fallen behind have found their landlord sympathetic and flexible.

Overall, private renters are more concerned about the long-term financial impact of COVID-19, and less than a quarter (24%) are confident in their recovery post-COVID-19. Of the private renters who are behind on payments, 22% are concerned about their ability to catch up within the next 3-6 months, whereas just 10% of social renters shared these concerns.

Danny Vant, Client Services Director for PayPoint commented: "The global crisis has impacted virtually every area of our lives and the longer-term financial impact is becoming clearer. Our survey reveals real concerns over future financial stability and ability to pay rent. It is vital that both private and social landlords are sympathetic to the challenges their tenants are facing in these uncertain times. Offering payment flexibility will be important for tenants going forward, to help them navigate changes to their lifestyle and financial situation. This will ensure landlords can retain good tenants and continue to recover rent fees effectively."

One in five of the renters surveyed said they would welcome the introduction of a digital payment platform that would remind them when payments are due and enable them to make flexible payments to help them manage their financial situation.

PayPoint's new collection tool, PayByLink, available through its digital payment solution, MultiPay, helps landlords to engage with tenants sensitively and responsibly via SMS and email, to remind

them of payment dates, make arrears collections and offer flexible payment terms. This will be particularly beneficial as the UK navigates its way through the financial impact of the COVID-19 pandemic.

Vant continued: “Late payment collection through PayByLink increases efficiency and reduces the cost of collections and write-offs. Tenants do not want to miss rent payments, but many facing significant challenges in the current climate have fallen into rent arrears. As our survey identified, many are very concerned about their ability to pay rent in the coming months, and how quickly they will recover, financially from the impact of COVID-19.

“Importantly, PayByLink provides tenants with payment flexibility, putting them in control whilst improving cashflow for landlords. The user-friendly payment options remove friction from the payment process whilst retaining security and peace of mind, increasing customer engagement and ultimately improving collections success. Working together with tenants, considering their financial challenges and providing payment flexibility, landlords can help tenants through this stressful time and may find they benefit from longer tenancies and more efficient payments in future.”

PayByLink benefits for late payment collection:

- Sends automated SMS customer reminders
- Enhances customer engagement
- Offers a user-friendly payment option that keeps customers engaged
- Increases collection of small arrears with ease
- Easily integrates into your own CRM system
- Increases efficiency with bulk payment options
- Reduces spend on collections and write offs
- Enhances cash flow management
- Fully PCI compliant and can be used effectively in a call centre environment

*200 private and social renters - Social Grade C2, D, E - were surveyed using Gorkana Surveys, 2nd July 2020.

Contact HSL for more information

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ABOUT PAYPOINT

In thousands of retail locations, at home and on the move, we make life more convenient for everyone.

For retailers, we offer innovative and time-saving technology that empowers convenience retailers in the UK and Romania to achieve higher footfall and increased spend so they can grow their businesses profitably. Our innovative retail services platform, PayPoint One, is now live in over 16,000 stores in the UK and offers everything a modern convenience store needs, from parcels and contactless card payments to EPoS and bill payment services. Our technology helps retailers to serve customers quickly, improve business efficiency and stay connected to their stores from anywhere.

We help millions of people to control their household finances, make essential payments and access in-store services, like parcel collections and drop-offs. Our UK network of 27,000 stores is bigger than all banks, supermarkets and Post Offices together, putting us at the heart of communities nationwide.

For clients of all sizes we provide cutting-edge payments technologies without the need for capital investment. Our seamlessly integrated multichannel payments solution, MultiPay, is a one-stop shop for customer payments. PayPoint helps over 500 consumer service providers to save time and money while making it easier for their customers to pay – via any channel and on any device.