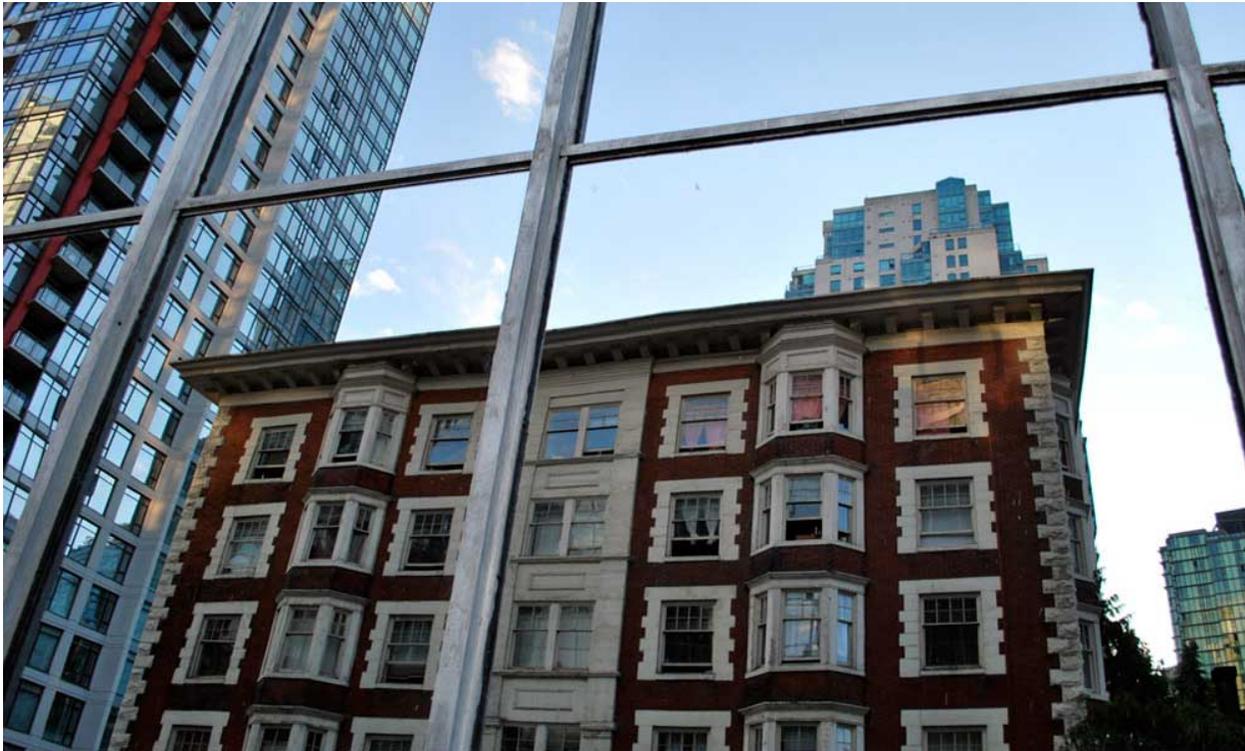


Field of Interest: Health and Social Development

Case Study: Vancouver Rent Bank



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Organization: Network of Inner City Community Services

Network of Inner City Community Services is a consortium of community based organizations, resident groups and consumer groups that work together in the coordination and delivery of services to children, youth, families and individuals.

Problem or issue: Poverty, low financial literacy, and homelessness

Many Vancouver residents are at risk of becoming homeless due to high rents and very low vacancy rates. Access to affordable housing is decreasing, as rents in Vancouver exceed 30% of household income. Poverty and low financial literacy lead to individual financial crisis, which often result in eviction, followed by homelessness and even greater poverty.

Project: Vancouver Rent Bank

Traditional programs to support low-income residents are sometimes not well positioned to respond to emergency needs, and many financial institutions have no motive to provide support without increasing borrowing costs.

Field of Interest: Health and Social Development

Case Study: Vancouver Rent Bank

The goal of Vancouver Rent Bank is to prevent homelessness, particularly for marginalized communities, and to reduce the high cost of homelessness to taxpayers. Vancouver Rent Bank is testing a model where low-income residents who are in temporary financial crisis can access interest-free emergency loans to address rent shortfalls and prevent eviction.

Vancouver Foundation provides funding to the Vancouver Rent Bank project to make sure support is available in a fast and effective way without putting the burden of new borrowing costs on vulnerable members of the community. Short term emergency loans to low-income singles, couples, and families, prevent eviction, entrenched poverty, homelessness, and address gaps in and barriers to financial assistance programs.

In addition, education programs throughout this three year project ensure that information is available to help vulnerable people build their own financial literacy skills and support networks. These activities have long-term benefits for vulnerable members of the community, and reduce the burden on support services.

Why this is a social innovation

Vancouver Foundation supported this project because it:

- Addresses homelessness by preventing it from happening in the first place
- Creates a unique model of micro-lending that does not incur new borrowing costs for members of the community already experiencing severe financial hardship
- Provides financial literacy and emotional support to rent bank users, addressing some root causes of homelessness
- Changes interactions between residents, neighbourhood groups, and social service providers
- Brings together groups including The Ministry of Social Innovation and Development, financial institutions, and landlords to troubleshoot individuals' financial crises
- Creates a sustainable support network for users, breaking the cycle of poverty and leading to long-term benefits for individuals, the community, and taxpayers
- Demonstrates broad support from other funders, unites different groups within the system, and can continue without the long-term support of Vancouver Foundation

Questions for your project

- What problem or issue are you addressing?
- How are you addressing the problem or opportunity in a way that is different to how it's been addressed previously?
- How will your project affect the rest of the social system that the problem or opportunity is located in?
- Will your approach involve groups that may have been previously excluded from participating or benefiting?
- How will your project adapt in the future to become sustainable?