

# Transition Insurance

A new scheme to help place tenants in the  
Private Rented Sector in Southwark

# A new scheme

- ▶ Transition Insurance is a new scheme between Southwark and insurance provider Canopy to help prevent and reduce homelessness in the local area
- ▶ When granting 12 month assured tenancies for our clients, landlords will be paid a non-refundable incentive payment and provided with an insurance policy in place of a cash deposit
- ▶ The scheme was co-designed with the National Landlords Association and we have engaged with over 200 landlords throughout the Design phase
- ▶ We also engaged with homelessness charities such as Crisis and run focus groups with tenants in temporary accommodation in Southwark
- ▶ Southwark is proud to lead this scheme which the Ministry of Housing, Communities and Local Government (MHCLG) would like to scale across the country in the coming months and years

# How does it work?

- ▶ In the Transition Insurance scheme, Southwark Council will pay landlords two items on the tenants behalf

## 1. Incentive Payment

- Paid direct to landlord
- For example, the incentive payment for properties within Southwark could reach £2500 dependent on size of property and age of tenants

## 2. Canopy Insurance Policy

- No cost to the landlord
- Covers landlord for damages, dilapidation and missing items to the property
- Full Terms and Conditions available on request

# Benefits to landlords



No need to register deposit within timeframe, minimising risk of fines – Insurance policy ‘activates’ when tenant moves in.



Through Canopy’s Rent Tracking feature, rent payments are linked to a tenant’s credit score and premium costs, incentivising good behaviour



Deposit Insurance covers damages of up to £2,500



Claims are paid out within an average timeline of 2 weeks, far quicker than existing DPS timelines



Tenants can hold two insurance policies at once meaning they do not need to hold a large cash deposit to vacate a previous tenancy and find a new one

# Benefits to tenants



**No-Cost** – the Council will cover your insurance policy, giving you more money to spend on things that matter to you



**Choice** – thanks to Canopy's TrustScore System and council backing, landlords, we will be able to offer landlords more than before



**Boosts to Borrowing** – Through Canopy's Rent Tracking feature, rent payments are linked to a tenant's credit score and premium costs, providing improved rates on loans, car payments, credit cards and mortgages



**Simplicity** – easy tracking of rent-repayments through the Canopy mobile/browser app



**Flexibility** – unlike previous schemes, you can transfer your insurance policy easily between properties, meaning you can move on to your next property without having any problems raising money for deposits

# Who are Canopy?

- ▶ Southwark's chosen partner for the Transition Insurance Pilot
- ▶ Insurance group offering flexible, digital insurance policies on rental deposits
- ▶ Company Goal - to enable greater mobility and social + financial inclusion



WINNER

LendIt  
choice  
award

FEB  
'17



WINNER

InsureTech  
Stream  
award

MAR  
'17



Raised  
over  
\$4m

SEP  
'17

Reached  
3,000  
renters

FEB  
'18



1st round:  
£100,000 Grant

Rent  
recognition  
challenge

MAR  
'18



Scale | InsurTech

WINNER

PwC  
accelerator

APR  
'18



WINNER

Mastercard  
global start  
program

JUN  
'18



# I'm interested...



## I'm a Landlord

- ▶ If you are an interested landlord and have any further questions or have a suitable property in mind for participation in this scheme, please contact the Southwark Council Procurement Team
- ▶ John Clark (020 7525 4196)  
[john.clark@southwark.gov.uk](mailto:john.clark@southwark.gov.uk));
- ▶ Omar Harris (0207 525 4043  
[omar.harris@southwark.gov.uk](mailto:omar.harris@southwark.gov.uk))
- ▶ Lorna Griffiths 020 7525 4366  
[lorna.Griffiths@southwark.gov.uk](mailto:lorna.Griffiths@southwark.gov.uk))



## I'm a Tenant

- ▶ If you are an interested tenant and have any further questions or have a suitable property in mind for participation in this scheme, please contact the your case worker (details to be found on your personal housing plan)
- ▶ If you don't know who your case worker is, please contact the central housing helpdesk (020 7525 5950)