

The quitting dividend for tenants and landlords

May 2019

EXECUTIVE SUMMARY

This briefing explores the financial impact of smoking on social housing landlords and tenants.

Our analysis shows that:¹

- 512,000 social tenants are living in poverty due to the impact of smoking on their finances – one social tenant in seven (14.1%)
- On average, social tenants who smoke spend over £50 on tobacco each week
- Tobacco takes up an eighth (12.4%) of the disposable income of social tenants who smoke

One in three people living in social housing smoke, twice as many as in the population as a whole.² But a majority of social tenants want to quit smoking, and social tenants are more likely to have tried to quit than those who live in other housing types. However, they are also less likely to succeed in quitting.³

Helping smokers to quit saves lives. Quitting smoking improves people's finances and their health.⁴ It can also contribute to more stable tenancies and better employment prospects.⁵

Recommendations

To give their tenants the best chance to quit, social landlords should:

- Train staff to understand the impact of smoking on tenants and equip them to deliver Very Brief Advice on Smoking to tenants who smoke
- Work with tenants to identify smokers, and track whether they have been offered advice and support to quit
- Include information and advice on the financial gains of quitting or cutting down in financial inclusion & debt advice support
- Engage proactively with local stop smoking services, for example by providing stop smoking clinics venues in community spaces and supporting this with clear signposting
- Consider opportunities to work collaboratively with local NHS and public health teams to engage tenants in health promotion activity (for example around Stoptober)

In our 2018 report "[Smoking in the home: New solutions for a Smokefree Generation](#)" we include further recommendations for all landlords, and the broader health and housing sector on how to help more people to quit smoking.

SOCIAL TENANTS, SMOKING AND POVERTY

Currently 512,000 social tenants, spread over 213,000 households, are living in poverty due to the impact of smoking on their finances.⁶

One in three people living in social housing smoke, twice as many as in the population as a whole.⁷ But a majority of social tenants want to quit smoking, and social tenants are more likely to have tried to quit than those who live in other housing types. However, they are also less likely to succeed in quitting.⁸

Social tenants and smoking

This brief focuses on reducing smoking among social tenants because:⁹

- Social tenants are more likely to smoke than people in any other housing tenure – one third (31%) of social tenants are smokers compared to one quarter (24.2%) of private tenants and one eighth (12%) of home owners
- Social tenants spend a higher proportion of their disposable income on smoking¹⁰ (12.4%) than both private renters (8.8%) and home owners (8.4%)
- Social tenants are more likely to be in poverty as a result of smoking (14.6%) than either private renters (5.7%) or owners (7%)

Most social tenants who smoke also want to quit. In fact, they make more quit-attempts on average than people living in other housing tenures.¹¹

Supporting social tenants to quit smoking is good for both tenants and landlords. By taking a few simple steps to support their tenants to quit, social landlords can contribute to more stable tenancies by:

- Dramatically improving their tenants' finances
- Helping to deliver enormous health benefits

Financial benefits

In 2016/17, 28% of social tenants were in rent arrears. Over a quarter (28%) of whom cited debts or other responsibilities as the reason for being in arrears.¹²

Social tenants who smoke spend, on average, over £50 per week on tobacco – more than £2,600 per year. This takes up around an eighth (12.4%) of social tenants' who smoke total disposable income every week.¹³

By stopping smoking, tenants can dramatically improve their finances. For those in debt, quitting (or even cutting down on) smoking can be the extra help they need to get on top of their finances. The average rent arrears of social tenants in 2016/17 was just over £400¹⁴ meaning that, for those who smoke, their entire rent arrears could be wiped out within 9 weeks of quitting smoking.

That's why we are calling for social landlords to:

- **Train staff to understand the impact of smoking on tenants and equip them to deliver Very Brief Advice on Smoking to tenants who smoke**
- **Work with tenants to identify smokers, and track whether they have been offered advice and support to quit**

Smoking & Money Advice Project¹⁵

The Smoking & Money Advice Project, run by ASH Scotland, aims to help staff in money advice settings engage clients on saving money by stopping smoking.

Consultation with service staff found that a lack of confidence, and a reluctance to be seen to judge or blame clients, acted as barriers to discussing smoking. But if ways could be found to address these concerns then staff could see the financial benefits from raising the issue.

At least 36 local organisations are now using project materials to encourage discussions on the financial costs of smoking, and referral to stop smoking support. The intervention has been overwhelmingly welcomed by both clients and advisors:

Advisor, Drumchapel and Maryhill Citizens Advice Bureaux:

“The main part of my job is helping people with financial problems. Knowing more about the cost of tobacco and the amount of money that smoking can take out of a house, that is something that fits in really well with the job that I do.”

Client:

“I knew I was spending a lot on cigarettes but when the costs were broken down to me through the resource it gave me the final push to quit”

But quitting smoking also has other, less obvious, benefits for smokers and the wider community. For example:¹⁶

- Each year, absenteeism due to smoking related illness results in about 16.7m days of lost productivity in England
- It is estimated that smoking breaks cost businesses in England £3.6bn every year

Quitting smoking could also have a positive impact on employability and income. Research from the United States on people looking for work found that:¹⁷

- Non-smokers were 30% more likely on average to be re-employed after 1 year, compared to smokers.
- Among those re-employed after 1 year, the average hourly wage was \$5 (approx £3.85) higher for non-smokers (average wage/hour: \$20.27/approx. £16) than smokers (average wage/hour: \$15.10/approx. £12).

Very Brief Advice

Very brief advice (VBA) is a simple piece of advice for smokers which is designed to be used opportunistically in less than 30 seconds in almost any consultation with a smoker.⁷

There are three elements to VBA:

- ASK: establishing and recording smoking status
- ADVISE: advising on the best ways of stopping
- ACT: offering help

An [online training module](#) has been developed to demonstrate how easy it is to deliver VBA.

Health benefits

The health benefits of quitting smoking cannot be overstated:¹⁸

- Smoking is the leading cause of preventable illness and premature death in England
- Around half of all life-long smokers die prematurely, losing on average around 10 years of life
- In 2016 alone, there were around 78,000 deaths attributable to smoking, representing 16% of all deaths in England
- Smoking accounts for around half of the difference in life expectancy between the richest and the poorest in the UK¹⁹

By supporting tenants to quit smoking, landlords across all tenures can achieve more stable tenancies by improving their tenants' health and reducing their chances of acquiring disabilities like Chronic Obstructive Pulmonary Disorder (COPD)²⁰ which may require expensive home adaptations.²¹

Though social tenants are just as likely as the broader population to want to quit smoking, they are less likely to be successful due to a lack of social support, higher nicotine dependency and more challenging life circumstances.²²

But with support from stop smoking services, social tenants can dramatically increase their likelihood of quitting.

That's why we are calling on social landlords to:

- **Include information and advice on the financial gains of quitting or cutting down in financial inclusion & debt advice support**
- **Engage proactively with local stop smoking services, for example by providing stop smoking clinics venues in community spaces and supporting this with clear signposting**
- **Consider opportunities to work collaboratively with local NHS and public health teams to engage tenants in health promotion activity (for example around Stoptober)**

CONCLUSION

By following five simple recommendations, social landlords can give their tenants the support they need to quit and dramatically improve their health and financial stability. They will likely also contribute to more stable tenancies across their portfolio and deliver better employment prospects for tenants.

We recommend that social landlords:

- Train staff to understand the impact of smoking on tenants and equip them to deliver Very Brief Advice on Smoking to tenants who smoke
- Work with tenants to identify smokers, and track whether they have been offered advice and support to quit
- Include information and advice on the financial gains of quitting or cutting down in financial inclusion & debt advice support
- Engage proactively with local stop smoking services, for example by providing stop smoking clinics venues in community spaces and supporting this with clear signposting
- Consider opportunities to work collaboratively with local NHS and public health teams to engage tenants in health promotion activity (for example around Stoptober)

For more information, advice or support in providing these services, please get in touch at admin@smokefreeaction.org.uk.

METHODOLOGY AND REFERENCES

To calculate the cost of smoking to social tenants, Landman Economics undertook an analysis of the most recent three waves of the UK Living Costs and Food Survey (LCFS) – for 2014-15, 2015-16 and 2016-17. Three years of data were pooled to increase the sample size and make the results more robust.

The incomes in the earlier waves of the LCFS (2014-15 and 2015-16) were updated to 2016-17 prices using the average increase in disposable income in the Family Resources Survey (the survey used for the UK Government's headline statistics on disposable incomes and poverty) to ensure that income was measured on a consistent basis. Tobacco expenditure was updated to 2016-17 using the Consumer Price Index.

Weekly tobacco expenditure measure in the LCFS, when multiplied by 52 and grossed up to give an annual aggregate figure for the UK (using the household grossing factors in the LCFS data), understates tobacco expenditure for the tax year 2016-17 by a factor of around 2.1 compared to an estimate of tobacco expenditure derived from HMRC's published statistics on tobacco duty receipts.

This is a commonly found problem in household expenditure surveys: they systematically under-report expenditure on tobacco products. To produce a more realistic figure for weekly tobacco spending that is consistent with HMRC aggregate data, the tobacco expenditure data in the LCFS was multiplied by a factor of 2.1.

Because the Family Resources Survey measures income and poverty more accurately than the Living Costs and Food Survey, the estimated poverty rates by housing tenure type in the LCFS data were adjusted so that they match the FRS 2016-17 estimates. This resulted in a small reduction (less than 1 percentage point) in the poverty rate for social tenants and private tenants, and a small increase (less than 0.5 percentage points) in the estimated poverty rate for owner-occupiers.

REFERENCES

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