

## SSVF Client Financial Planning and Budgeting Considerations During COVID-19

Since 2011 the Supportive Services for Veteran Families (SSVF) program has relied on a Progressive Assistance approach to its financial assistance packages, meaning that households pay as much as they are able toward the rent with SSVF paying the balance. There are good reasons for this philosophy, including 1) maximizing public funding to assist as many households as possible; 2) minimizing the risk of the Cliff Effect, where there is a payment shock when subsidy declines dramatically; and 3) empowering Veterans and relying on their resilience to maintain their own housing plans and budgeting needs.

SSVF is temporarily allowing for greater financial assistance flexibilities during the COVID-19 public health crisis, including the removal of caps on the number of months of rental and utility assistance a Veteran household may be provided. SSVF grantees now have both the regulatory authority and budget to subsidize any or all enrolled households more deeply (even at 100%) and for longer periods of time. This flexibility provides a unique opportunity to SSVF to support Veteran households in a way that promotes longer-term housing stability.

**SSVF Grantees are encouraged to provide deeper, longer term subsidies for enrolled Veteran households, including homelessness prevention clients, while CARES Act resources are available.** Rents can be subsidized for as long as necessary/allowable. This situation is an opportunity for the SSVF program participant that has income to target their resources to other opportunities that could promote longer-term housing stability if they choose to do so.

### Opportunities to Re-Direct Veteran Income during COVID-19 Deep SSVF Subsidy Period

- Veterans with little or no savings can increase their emergency reserves, so they will be able to better weather a sudden financial crisis without losing their housing in the future. **Set up an emergency reserve bank account**, with a Financial Plan to avoid use of the funds for routine, non-emergency uses. Paying themselves on a monthly basis also develops good routines and habits for future landlord payments.
- If excessive debt jeopardizes the Veteran's future housing stability a deeper subsidy could allow them to **use their own income to pay down or pay off credit cards, loans, etc.** If possible, the household could work with a National Foundation for Credit Counseling-accredited counselor who can negotiate possible debt consolidation, partial payment or reduced interest. The counselor could also assist the Veteran to develop a realistic, achievable goal for emergency savings.
- If the household has **difficulty with transportation**, they may use their own income for car maintenance or repairs, license fees, auto insurance, bus cards, etc.
- If the household has a history or risk of late rent due to predictable expenses, they can create an account for **periodic expenses**, such as holidays, birthdays, healthcare insurance, car inspections or insurance and other personal needs.
- If the household's goal includes employment that requires **costs for education/training** that are not allowable under SSVF, and appropriate HVRP or other DOL resources are not available, the household could use their own funds while their rent is being subsidized.

### Financial Planning, Budget and Rent Planning Considerations

- Even with higher subsidies available, SSVF financial supports are time limited. Long-term housing stability requires SSVF assist in increasing income through employment and/or benefits for Veterans **and their household members**.
- Budgets and financial plans should be based on the **Veteran's goals, desires, individual needs and anticipated income**.
- **The budget should be honest** – including all costs, even if seemingly non-essential or not in the Veteran's best interest.
- The financial plan should **address how and when the deeper subsidy would be scaled back** and/or ended and how the Veteran will absorb the full cost of the rent. Grantee non-TFA services could continue during the transition from a deep subsidy to a shallow subsidy or zero subsidy. During this time, re-budgeting may be required and enrollment maintained.
- The Financial plan should include **key financial milestones** based on the Veterans goals.
- The financial plan could also include **basic strategies for paying the rent on time, dealing with utility companies, and other routine and ongoing expenses**. Ideas could include writing payment dates on a calendar, programming phone reminders, etc.