



Health and Wellbeing Together - Informal Meeting

Wednesday, 19 January 2022

Dear All,

HEALTH AND WELLBEING TOGETHER - WEDNESDAY, 19 JANUARY, 2022

I am now able to enclose, for consideration at next Wednesday, 19 January, 2022 meeting of the Health and Wellbeing Together, the following reports that were unavailable when the agenda was printed.

Agenda No	Item
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10	Financial Inclusion Strategy Overview (Pages 3 - 20)
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[To participate in a discussion around the development of a City Financial Inclusion Strategy.]

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Financial Inclusion Strategy

Governance arrangements

Impact of Covid-19

Our understanding of the impact of Covid 19 is changing rapidly and further data will emerge over the coming weeks and months to help shape and develop the implementation of this strategy. In order to formulate the basis and direction of this strategy we have carried out an initial consultation with partner agencies and recipients of support over the last 14 months. Further ongoing consultation will form an essential part of this Strategy in order to help develop and define the detail of the strategy's action plan.

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Prior to the COVID-19 pandemic, Wolverhampton already had high proportion of indebtedness with 21.1% of its residents in debt (MAPs: A Picture of Indebtedness) This is the third highest in the West Midlands and eleventh highest in England. Financial stress is estimated to impact on over 150,000 households in Wolverhampton (Experian Mosaic data) affecting in particular:

- renters (25% vs 12% homeowners)
- larger families (one in four families where three or more children)
- single parents (28% vs 18% couples)
- those on low income (24%)
- young people are four times more likely to be affected

Learning the Landscape

A profile of the over-indebted population



- Renting: 25% renters vs 12% home owners (social tenants 29% vs private landlord 21%)
- Larger families: 1 in 4 adults with three or more children
- 28% single parents vs 18% two parents families
- Low incomes: 24% if income less than £10,000
- 25-35 year olds 4x more likely to be in debt than over 65
- **Young people are four times more likely to be affected**
- Youth Unemployment
- Housing Debt?
- FSM numbers
- New communities

Whys is promoting financial inclusion in Wolverhampton important ?

The cost of financial exclusion/hardship is high, both to households affected and to society. It impacts on general well-being and is closely related to poverty and social exclusion.

Research shows that those who are financially excluded face multiple disadvantages, and can be locked in a cycle of poverty, including:

- reliance on doorstep or illegal lenders with high interest rates
- difficulties in securing employment, as many employers pay wages into a bank account
- Lacking financial safety nets, such as insurance to deal with unexpected financial difficulties
- Being unable to access proper financial advice resulting in unmanageable debt
- Poor health caused by money worries and indebtedness.

The need to improve the linkages between financial inclusion services will be addressed in the formation of the Wolverhampton Financial Inclusion Partnership, with a membership of key stakeholders including Job Centre Plus, social housing providers, third sector agencies and Council services.

Developing a Financial Inclusion Strategy for Wolverhampton is a key priority, supporting the city's Relighting our city plan. The strategy sets out the long-term vision for the city working with partners to improve the lives of all those living in the city and is centred on tackling poverty and inequality. The Financial Inclusion Strategy has a cross-cutting impact on all the themes and priorities within the plan

Strength in Partnerships

COVID-19 has seen our city refocus, specifically on the unfolding response to economic vulnerability and the need to work collaboratively to understand strengths and difficulties within communities and their experiences and challenges. This has enabled the development of new solutions/approaches and created opportunities to develop existing partnerships and networks. The work has included representatives from over 40 organisations from:

- Voluntary and Community Groups
- Charities
- Housing Providers
- Local Authority services Children and Adults Social Care.

Wolverhampton has embraced the opportunity to listen, understand and respond to requests for support that empower local and trusted partners to deliver high quality services on our behalf. This has laid and firm foundation for future collaboration and co-production.

Developing a Strategy – what we know

Prior to COVID, Wolverhampton already had high proportion of indebtedness with 21.1% of its residents in debt (MAPs: A Picture of Indebtedness), the third highest in the West Midlands and 11th in England. Given the correlations between indebtedness and deprived areas with higher unemployment, you can expect the scale of this challenge locally to increase significantly. Financial stress is estimated to impact on over 150,000 households in Wolverhampton (Experian Mosaic data).

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There is learning that can be drawn from the data and review of the work we have undertaken in city the last 12 months. This shows the direct support offered and the developing picture of what households need in order to reduce inequalities as a direct results of Covid.

Developing a Strategy

- **Aim/ Purpose**
- The aim of the strategy is: ***To achieve a financially inclusive Wolverhampton where residents have access to a comprehensive range of appropriate financial and money advice services, as well as the knowledge, skills and confidence to maximise their own financial well-being.***
- The purpose of this strategy is to provide a shared framework for financial inclusion in Wolverhampton over the next three years. As a strategy delivered through partnership, it will contribute to achieving the overall vision of the Wolverhampton Partnership, as outlined in the city's plan. The strategy aims to create a financially inclusive Wolverhampton where residents have access to a comprehensive range of appropriate financial and money advice services, as well as the knowledge, skills and confidence to maximise their own financial well-being. It has been informed by a detailed evidence base report containing information from a wide range of national, regional and local sources.
- To achieve the overall strategic aims we will focus on three key themes Early, Emerging and Essential. We are taking a graduated approach in our response that focusses our efforts heavily on early intervention and prevention. The graduated response enables support to be focussed on preventing escalation of crisis and building capacity through our understanding of emerging needs within households and communities in our city. We have recognised that there will be a continuing need to support a larger proportion of people in the first twelve months as we continue to address issues because of Covid. However, the strategy will seek to reduce the level off essential support required through secondary prevention methods, over the course of three years.

Consultation Findings

STRENGTHS	CHALLENGES
<ul style="list-style-type: none">The availability of support within local communities has meant people have been able to seek support at the earliest opportunity.Trusting and valued relationships have been established between the council, organisations within the third sector and with familiesThere is good level of advice, information and support for households experiencing financial difficulties.Co-delivery and enabling organisations to support households not known to council services has supported in not letting anyone fall through the gap.There is strong partnership working with equal offers of support, information, forward thinking and joined up working.Families report that the support provided to them has been a 'lifeline' and without it they fear they may have plunged further into crisis	<ul style="list-style-type: none">Too many households are still experiencing crisis at the point they engage with services.Information about where families can access support has, in some instances not felt accessible enough.Both families and organisations that signpost and refer for support feel that better communication channels would have helped them in ease of access and cut down the number of services they pass through to get the support they need.The impact of Covid 19 is still emerging and services are learning about the impact of this on communities and families.Digital inclusion has been a barrier to some households seeking support.

Guiding Principals

Provision of a range of support- we will work with people to identify needs **early**, understand where there are emerging issues and community needs and respond to with support that is **essential**.

Maximise dignity, autonomy and choice. we will minimise barriers and develop systems that promote ease of access and timely support to provide services people tell us are helpful.

Raising activity through a diverse range of channels to reach the most vulnerable households we will work with charities, voluntary organisations and other services in addition to our council led

Developing a clear Strategy document, we will clearly communicate our relevant principles, standards and detailed criteria to provide clarity and transparency.

Prioritising equality and diversity, leaving no one behind we will ensure that the strategy reflects the diversity of our city and is inclusive of all individuals within communities and those that are newly arrived

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Guiding Principles

Eligibility and assessment should carefully reflect a balanced approach – we will aim to keep things as simple as possible for people to respond to and complete, whilst still ensuring we capture the most pertinent information. Eligibility assessments will not become a barrier or cause delay in support.

Robust evidence of what is necessary and effective. we will use a range of data to assist us in understanding our communities well and support us in determining local need to ensure that support is sufficient to meet families' needs.

A transparent and straightforward award structure will be developed we will use benchmarking and evidence to determine the level of support an individual or household receives.

Ensuring engagement with wider support services should be a key underlying principle we will work hard to tackle deep-rooted issues and address longer-term needs. We will ensure that every application is an opportunity to identify and offer other appropriate advice and support to, wherever possible, move people away from crisis toward greater financial stability.

The Three E's



A graduated response that provides a clear structure to the identification of need at the earliest opportunity, understanding of need and resource allocation in order to address some of the challenges faced by those that experience financial difficulties and hardship.



EARLY

Graduated Response

This theme is where most of our focus will be. This theme includes activity that focuses on prevention,¹ primarily takes place in the community and is actively shaped by conversations with local people and informed by their lived experience. This includes providing access to information in a connected way through several access points considering that people will need diverse types of support at various times in their life e.g., looking for work or training, starting a tenancy, having a child, becoming a carer etc. It aims to build resilience, through a strength-based approach by working with communities and the voluntary sector to create an environment and opportunities that act, as far as possible, to prevent escalation and crisis. Alongside a universal offer, quantitative and qualitative data and needs assessment information are used to distribute resources proportionate to need; and target groups and areas most at risk of financial exclusion and deprivation. It supports and is aligned to the Council's place-based model of working.

Graduated Response



EMERGING

This theme focusses on the thematic emergence of local and national issues and seeks to identify when policy changes, social and economic influences and behaviours of people indicating that households are likely to experience difficulties resulting in financial hardship.

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Wolverhampton Financial Inclusion Partnership will work to understand the bigger picture and make good of use of data through careful analysis, the use of Low-Income Family tracker (LIFT) will identify groups, households and individuals that are likely to be affected and enable planned and targeted campaign to reach them.

Difference between short-term intervention vs long-term support.

National research suggests that we may be about to hit a cliff edge for residents previously protected by COVID measures e.g., restriction on evictions, furlough, UC increase, but end of these measures is estimated to affect 1 out of 2 residents in deprived areas as indicated by unemployment (potential to link to place based work).

Graduated Response



ESSENTIAL

This theme focusses on the essential support will provide emergency resources to the most economically vulnerable people is an essential mechanism for addressing immediate hardship.

Households seeking support in this category will already have been assisted to seek a resolution their difficulties with the support, advice and guidance of the wider partnership.

This element of the strategy will require distribution of financial resources.

Resources

The implementation of the strategy through the three levels of graduated support will be supported by a small team. The intention is to have two front line colleagues, Financial Inclusion Support Officers working closely with our initial contact points across CWC to ensure that any resident who requests support can be directed to and in receipt of support with the minimum number of steps required. These colleagues will also work within the community to develop the community response to support. This will give opportunity to ensure any support offered includes advice and support on future financial management and inclusion. It is also intended that a post within the third sector will be funded to support the strengthening of the systems infrastructure and collaboration for future sustainability of support.

July
2021
Review

The team will be led by a strategic manager who will be responsible for the coordination of the action plan which will underpin the roll out of the strategy, supported by a part time analyst post. Support from Projects and Programmes for the first year will enable embedding of the strategy.

The strategy has been developed on the assumption that no further funding is received from the DWP as it is likely this funding stream will eventually cease. The current funding of Household Support Grant ending on 31 March 2022 may be the last grant issued to local authorities for this purpose. Should any future funding be received for this purpose this will add to the resource available to support the strategy.

Governance

Delivering the strategy will be the responsibility of partner organisations in the city, including the Council, housing providers, third sector organisations, health services and local businesses. A detailed action plan will be developed to achieve the priorities and objectives of the strategy. The Wolverhampton Financial Inclusion Partnership will be responsible for monitoring progress against the action plan. Performance dashboards will be generated, utilising the use of Low Income Family Tracker (LIFT) which will support the partnership in understanding the changing financial landscape and the likely impact of this on households within the city.

It is proposed that this strategy best aligns to Wolverhampton Joint Health and Well Being Strategy , and with the governance and scrutiny being provided through the Health and Well Being Together Board.

The work of the Financial Inclusion Strategy links closely with the following priorities and themes:

- Theme 1 – Growing well
- Theme 2 – Living Well
- Priority 5 – Embedding prevention across the system.

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