












# Financial Wellbeing Strategy 2022-25

Tackling the Cost of Living Crisis

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CITY OF  
WOLVERHAMPTON  
COUNCIL

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# Foreword



I am delighted to introduce the Wolverhampton Financial Wellbeing Strategy.

We are proud of the work we have done in our city so far, but too many of our citizens are experiencing challenges which prevent them reaching their full potential, due to the poverty they experience and which they cannot escape.

We are determined to improve the life chances for our citizens, to help them overcome barriers and to reduce inequality, inequity, and increase resilience so they can take advantage of the many opportunities this great city provides.

We know that Wolverhampton citizens are facing the same financial pressures as other areas, such as welfare reforms, insecure jobs and managing the increased cost of living prices

This Financial Wellbeing Strategy has been developed as a multi-agency approach, in co-production with citizens and with the involvement of partners and stake holders through the Financial Wellbeing partnership

The strategy focusses on the core areas where we need to make the biggest difference. By working together we will continue to look after our own, as 'one city'. We'll be creative and ambitious about supporting households to access 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.

**Cllr Ian Brookfield**

**Leader, City of Wolverhampton Council**



*I should be able to go to work and say that I can feed my children. At the moment that isn't the case. Nobody knows, 'til they've been in that person's shoes, what life is like. Need a new winter coat, my cooker breaks, the gas could conk out, and I've got a choice – do I buy my kids breakfast tomorrow or do I put £5 in that gas meter?*

Wolverhampton Resident



# Introduction

Our city should be a place where, everyone has the chance of a decent and secure life. Instead, too many people – many from working families – are struggling to meet their needs.

Financial hardship means not being able to heat your home, pay your rent, or buy the essentials for your children. It means waking up everyday facing insecurity, uncertainty and impossible decisions about money. It means facing marginalisation – and even discrimination – because of financial circumstances. The constant stress it causes can overwhelm people, affecting them emotionally and depriving them of the chance to play a full part in society.

The reality is anyone can experience poverty. Unexpected events such as bereavement, illness, redundancy or relationship breakdown are sometimes all it can take to push people into circumstances that then become difficult to escape.

This strategy contains a set of proposals we hope will inspire, encourage and support action across the city. While each community and place has a different set of challenges, we hope that the proposals provide a basis for new solutions and real change. If we don't all rise this challenge, we risk missing an opportunity to support people and communities to build a brighter future in which people can thrive.

The City of Wolverhampton Council aims to develop a co-ordinated and coherent strategic response to the increased risk of hardship faced by Wolverhampton citizens due to the far-reaching economic and social implications that were already being experienced and in addition, the increased cost of living.

**The strategy sets out the long-term vision for our city, working with partners to improve the lives of all those living in Wolverhampton and is centred on tackling poverty and improving financial wellbeing, supporting households to move away from high levels of dependence so that people are supported to be confident and self-sufficient.**

# What has happened?

## BACKGROUND

The economic downturn, cost of living crisis and the impact of Covid-19, alongside historically high levels of deprivation, have encouraged a renewed focus on debt, poverty and promoting financial wellbeing in Wolverhampton.

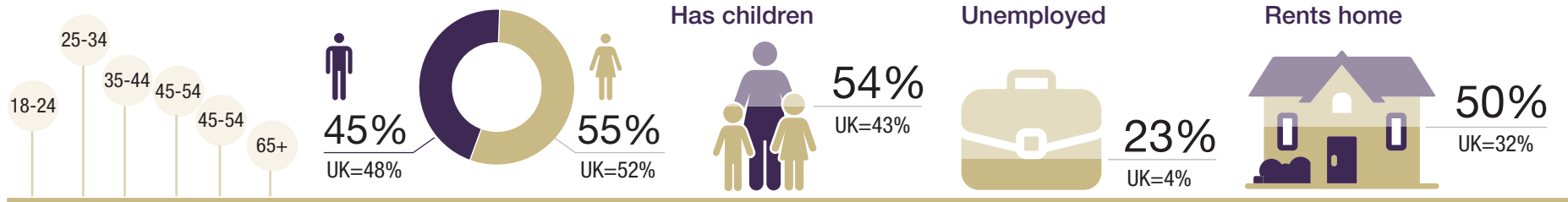
Our understanding of the impact of Covid 19 is changing rapidly and further learning will emerge over the coming weeks and months to help shape and develop the implementation of this strategy.

The cost of financial exclusion is high, both to households affected and to society. It impacts on general wellbeing 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
- Lacking financial safety nets
- Being unable to access proper financial advice resulting in unmanageable debt
- Dependency on services including food banks.
- Poor health caused by money worries and indebtedness.

## A profile of the over-indebted population in Wolverhampton



# Who is most likely to be affected?

## FINANCIAL VULNERABILITY

Those most likely to experience financial hardship include:

- Households on low incomes
- Households in social housing
- Households entitled to means-tested benefits
- Homeless households
- Single parents
- People aged 60+
- People aged 18 to 24
- People with disabilities
- Households where there has been an unexpected event which has caused a significant reduction in income.

# What's the situation now?

## LOCAL PICTURE



**Wolverhampton** is in the top **10%** of authorities in England for **deprivation**

With the data available already evidencing the need to respond with such a strategy, **the cost-of-living crisis** will only make financially related challenges **even more difficult for those affected**, or who will be affected for the first time.

	Black Country	Regional	Statistical Neighbour	National
Deprivation <sup>1</sup>	▲	▲	▲	▲
Child Poverty <sup>1</sup>	▲	▲	▲	▲
Deprivation based life expectancy gap <sup>2</sup>	■	■	■	■
Universal Credit <sup>1</sup>	▲	▲	▲	▲
Unemployment <sup>1</sup>	▲	▲	▲	▲
Youth Unemployment <sup>1</sup>	▲	▲	▲	▲

■ Lower than ● Close to ▲ Higher than

<sup>1</sup> Source: Department for Work and Pensions (DWP)

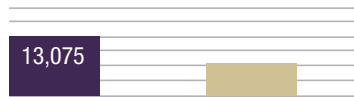
<sup>2</sup> Source: Public Health England (PHE\_)





## Unemployment

16-64 year olds



8% Wolverhampton  
4.4% National average

4th highest in England\*



## Youth unemployment

18-24 year olds



9.9% Wolverhampton  
5.1% National average

3rd highest in England\*



## Universal Credit

16-66 year olds

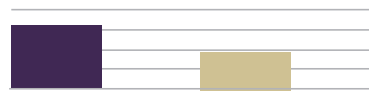


21.5% Wolverhampton  
13.5% National average



## Child Poverty

Children living in low income households



31.6% Wolverhampton  
19.1% United Kingdom



## Deprivation

Overall levels of deprivation



32.1 points Wolverhampton  
21.7 points National average

24th highest in England\*



## Disposable income

Gross disposable household income

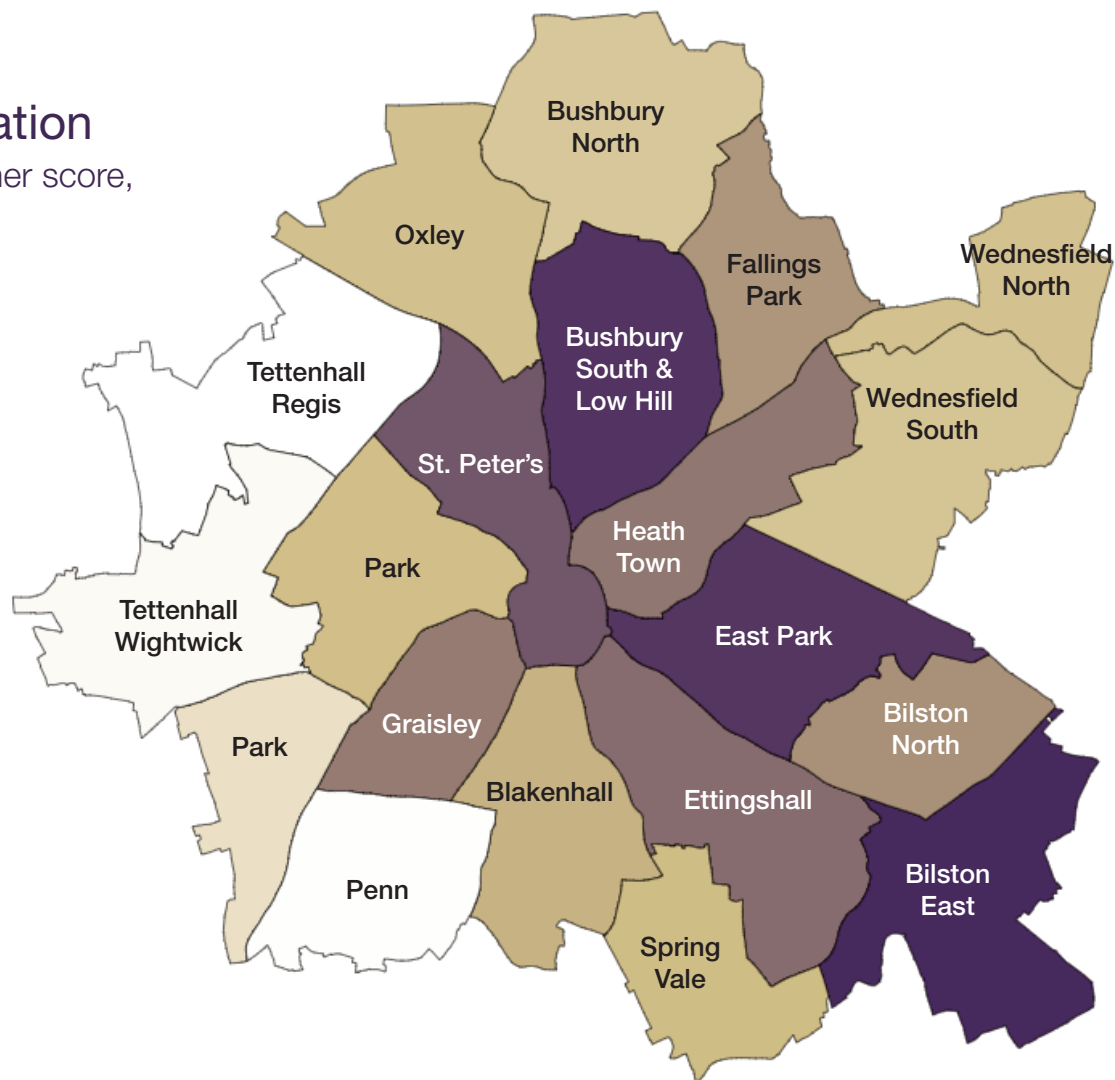


£15,500 Wolverhampton  
£21,978 National average



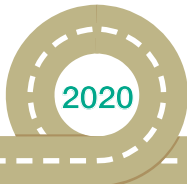
## Map of Deprivation

Darker colours = higher score,  
more deprived



# What's our response?

RESPONSE TO DATE



**Stay Safe Be Kind** hotline

Mar 2020

CWC **"Everyone In"** preventing rough sleeping and destitution

Mar 2020

Mi-Friendly Cities **'make their house a home'** using upcycled and recycled materials.

May 2020

**Benefits Helpline** established £15m in benefits gains for residents

Apr 2020

£15m

**Food Hub** established for those that were extremely clinically vulnerable, impacting by covid and in crisis. Delivering more than 1.3 million meals across the city to those who need them most

Mar 2020

£1.3m

One City Fund **'Feeding our City'** crowd funding :£27,000 to city's foodbanks.

May 2020

£27k

**'PACE'** – debt advice

May 2020

**Holiday Activity & Food programme.** Activities and food for children on free school meals during Easter, Summer, Christmas.

Nov 2020

**Kindness of Christmas** Crowd Funding £10,000 to city's Food Banks

Dec 2020

£10k

CWC funded **Rough Sleeper Partnership** £565k to homelessness prevention assistance to single people

Aug 2020

£565k

**device lending scheme**

Jul 2020

Pilot **'One Council'** approach to financial support Wolverhampton Homes, Supporting Families and Welfare Rights.

Sep 2020

First round of Department for Work and Pensions ( DWP) **Covid Winter Support Grant** £1 million

Dec 2020

£1m

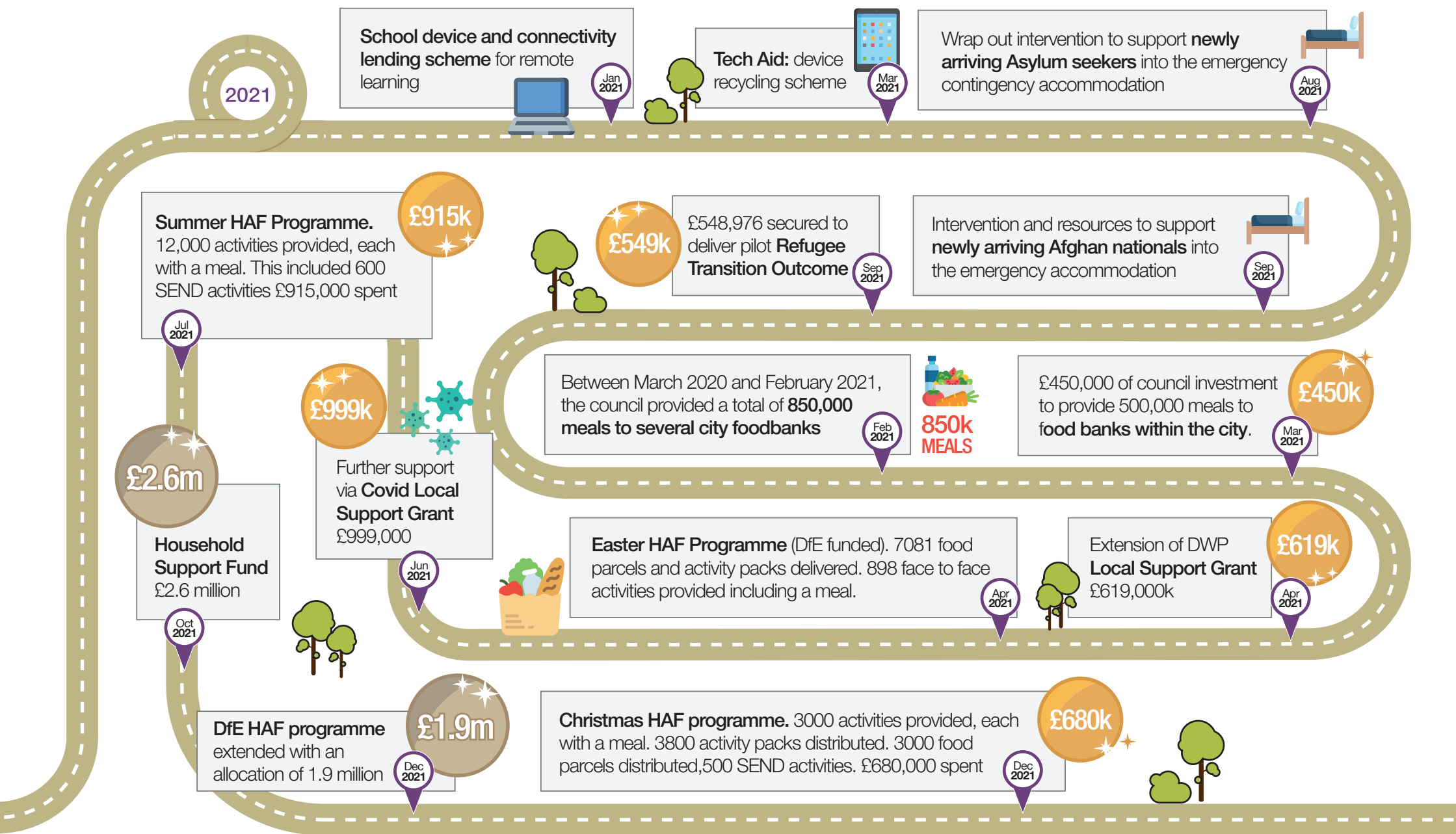
**'Talk to Us'** Campaign

Sep 2020

£85k to schools to support new arrivals via the **Syrian Resettlement Scheme**

Sep 2020

£85k



*Even myself, I think can I afford to have the heating on? I work, you know what I mean? I shouldn't have to think that, when the kids are asleep in bed, I'll just put a blanket over me because I can't afford to have it on when I work for a living.*

Wolverhampton Resident





## OUR CONTINUED RESPONSE

### AIMS

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 wellbeing.

To be a council that **enables and empowers** partners, specialist agencies and stakeholders to work together to deliver a range of relevant and supportive financial inclusion services that meets the needs of all residents

To offer a **city-wide service** and use key messages to promote awareness and improve access, signposting to existing and any new services

To utilise **matrix working** across the council and with external partners to align to key strategies and policies

To provide a **one door, multi-agency offer** with access to other advice services so residents facing financial hardship are supported at the earliest opportunity

### PRINCIPLES

The poverty experienced by residents in the city cannot be resolved through this strategy alone. This strategy aims to provide a specific response to financial wellbeing whilst aligning to a broader system of policies across the city to tackle poverty.

**Provide a range of support** that is both necessary and effective

**Maximise opportunities** for dignity, autonomy and choice

**Utilise a diverse range of channels** to reach the most vulnerable households

**Prioritise equality and diversity**, leaving no one behind

Incorporate **evidence based approaches** to support the implementation of the strategy

Supporting households on their journey from **reliance to resilience**

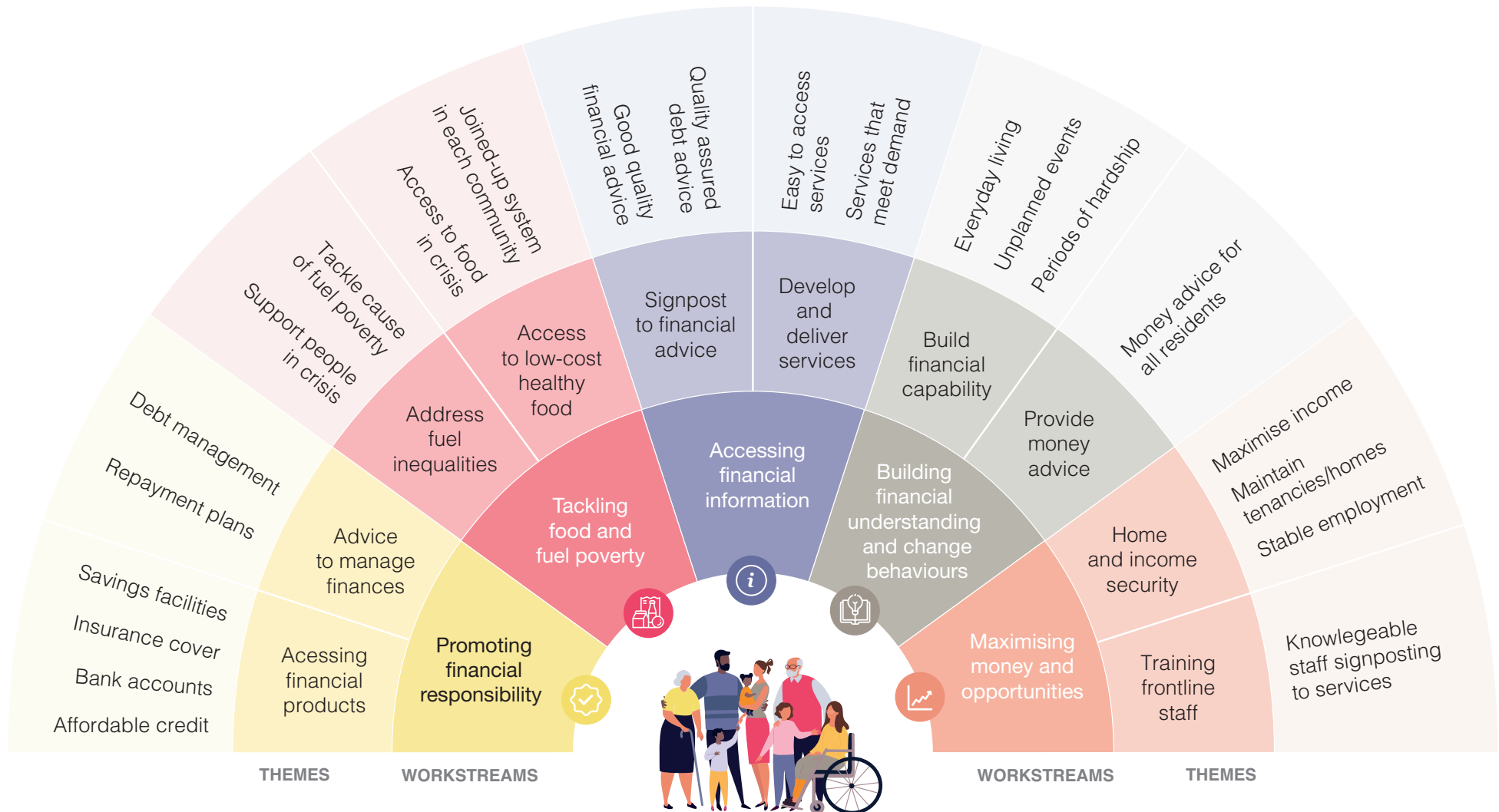
*Yeah, it gets you down, days that you feel like you are working for nothing, nothing left, you know, it's life. I haven't really got anywhere to turn, can't keep turning to family members all the time for money- have to pay them back you see, so it's hard. So I just try to avoid it, but end up getting into debt.*

Wolverhampton Resident



# What does this mean for households?

PLAN ON A PAGE



## How are we going to do this?

### GRADUATED RESPONSE: THE 3 E'S



#### ESSENTIAL

**This response focusses on the essential and crisis resources to the most economically vulnerable people** and is an essential mechanism for addressing immediate hardship. Households seeking support in this area will require support focussing on secondary prevention to ensure repeat crisis support is avoided. This element of the strategy will require distribution of financial resources.



#### EMERGING

**This response focusses on the thematic emergence of both local and national issues** and will support responses to policy changes, social and economic influences and behaviours that mean households are likely to experience difficulties resulting in financial hardship. By understanding the bigger picture and making good use of data through predictive analysis it will enable planned and targeted responses.



#### EARLY

**This response includes activity that focuses on prevention**, primarily taking place in the community and is actively shaped by conversations with local people and informed by their lived experience. 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.



## WORKSTREAMS

### WORKSTREAM 1

#### Promoting financial responsibility

To provide information to residents so they can access financial products, including affordable and responsible credit, an appropriate bank account, basic insurance cover and savings facilities.



To support residents so they can manage their finances and enable them to access free and relevant advice about their debts and be supported to make affordable repayment plans.



#### EARLY

Increase residents awareness of illegal money lenders and the impact of high-risk borrowing

Increase capacity in local communities through an Ambassadors programme to enable residents to access support within their local communities.

#### EMERGING

Target campaigns to identify people that are more likely to be at risk of seeking high cost credit.



Service mapping and analysis to ensure we have enough resources in the right places – linked to place based approach.



#### ESSENTIAL



Dissuade use of illegal loan sharks and high interest loans.

Partnership agreements with organisations that offer debt and money advice to promote secondary prevention and connection to services to address contributing factors.

#### Wulfrunians will live longer, healthier lives

-  Strong families where children grow up well and achieve their potential
-  Fulfilled lives for all with quality care for those that need it

-  Healthy, inclusive communities
-  Good homes in well connected neighbourhoods

-  More local people into good jobs and training
-  Thriving economy in all parts of the city

 **WORKSTREAM 2**

## Tackling food and fuel poverty

To tackle inequalities by reducing the number of residents living in fuel poverty both by tackling the causes and by helping to meet the needs of people in crisis.



To support a joined-up system in each community to provide enough no-cost, low-cost and affordable healthy food in moments of crisis and in long-term low-income households, via joined up system of support in the community.



 **EARLY**

Minimise impact of fuel poverty for low income and vulnerable households by increasing the number of people who switch energy suppliers or receive direct debit discounts to save money.

Increase access and raise awareness to affordable healthy food through community meals, cafes, pantries, growing projects and surplus food.

 **EMERGING**

Response to the emerging issue around Fuel cap post April 22 and identify households most likely to be impacted to ensure they have appropriate signposting to access the right support.


Empower groups to identify priorities for action by further developing a food poverty network.


 **ESSENTIAL**



Provision of emergency support for households experiencing fuel poverty.

Provide essential support to people in food poverty, bringing agencies together to provide a co-ordinated crisis response.

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**WORKSTREAM 3**

### Accessing financial information

To enable individuals and families to better manage their finances through access to good quality financial information and quality assured financial and debt advice, with appropriate signposting taking place to direct people towards the most appropriate source of help.



To work closely with stakeholders and partners to develop and deliver services, alongside health and wellbeing services that are easy to access, meet demand and linked to reducing financial hardship.



**EARLY**

Regular mobile roadshows to offer practical advice and information.

Continue with the current delivery model of working the voluntary, community social enterprise and faith organisations (VCSEF).

**EMERGING**

Good use of predictive analysis to identify households and individuals that would benefit from support

Development of the Wolverhampton Financial Wellbeing partnership.

**ESSENTIAL**

Case conferencing model to be introduced to support individuals presenting in crisis to respond to immediate needs with a multi agency approach with focus on secondary prevention.

Small grants VCSEF's so when they identify households needing immediate support they have the resources to enable response.

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 **WORKSTREAM 4**

## Building Financial Understanding and Change Behaviours

To have the financial capability to manage money well and make more informed financial decisions, whether related to everyday living, planning, when facing unplanned events or in periods of financial difficulty.



To continue to provide money advice services for all residents.



 **EARLY**

Financial education packs delivered across Wolverhampton Schools.

Adult Education and Family Learning

Maintain levels of provision for current services.

 **EMERGING**

Focus attention on natural cycles of life in order to support people where there is an increased pressure and need to focus on financial planning.



Review and map uptake of services and align this to the Place Based work to ensure we have the right provision in



 **ESSENTIAL**



Targeted support when unplanned events mean that there are difficulties in managing money that have a immediate or detrimental impact on people's lives.

Money advice leads to action that makes immediate differences by means of providing financial assistance.

**Wulfrunians will live longer, healthier lives**

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-  Thriving economy in all parts of the city



 **WORKSTREAM 5**

## Maximising Money and Opportunities

To provide financial health checks and income maximisation through various partners across the city, working closely with residents to maximise income and sustain and maintain tenancies/homes, seek stable and secure employment.



To ensure all frontline staff are knowledgeable and can offer or signpost residents to appropriate financial inclusion advice/services across the city.



 **EARLY**

Promoting the take up of early support through job centres, benefits support and work with universal and statutory services to maximise income.

Development of the new front door acting as single point of contact.

 **EMERGING**

Identify and make contact with households where they are known to be underclaiming benefits.



Review and develop training materials to upskill the wider workforce and partnerships to identify risks of financial hardship.



 **ESSENTIAL**



Money Smart work to be undertaken with all high risk groups. Identifying resilience factors as a mechanism of support in addition to emergency assistance.

Reduce the number of times people have to pass through services to get the support they need. 2 STEPS TO SUPPORT approach.

**Wolverhampton will live longer, healthier lives**

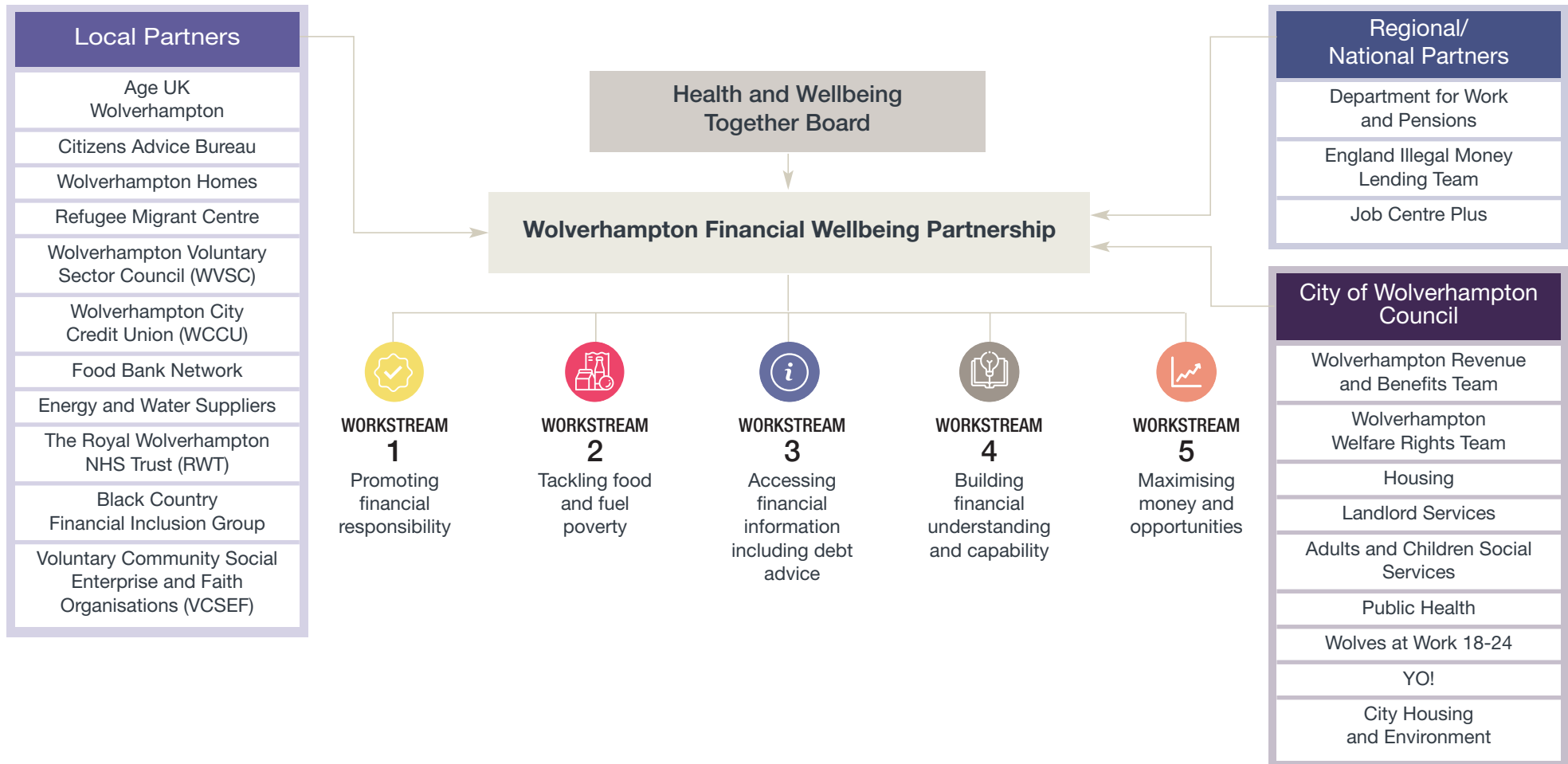
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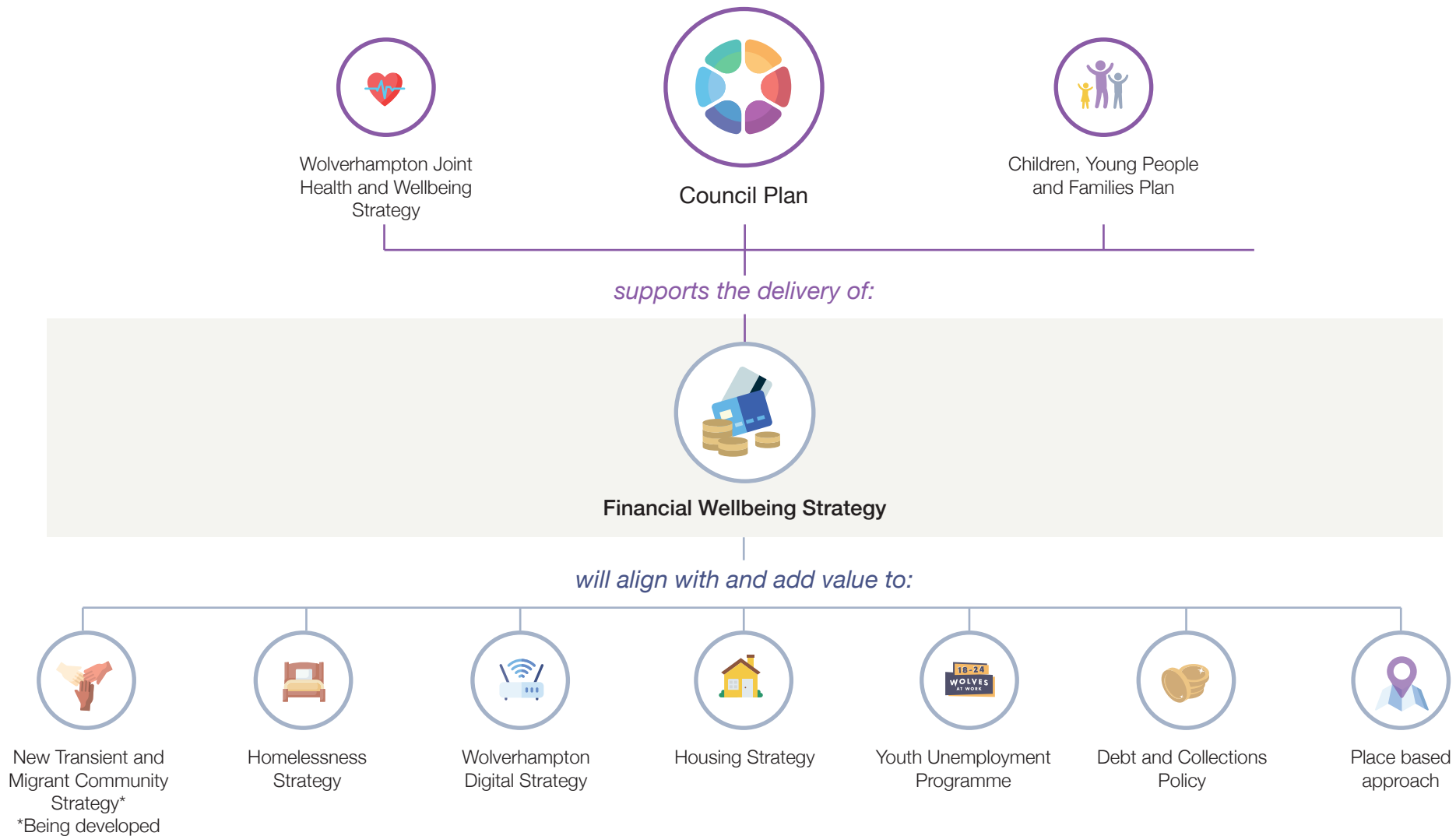
-  More local people into good jobs and training
-  Thriving economy in all parts of the city

# How we will work together?

## GOVERNANCE



### LINKS TO OTHER STRATEGIES





*Having no money can cause arguments between parents over how they going to pay for everything. This affects the children hearing this, I don't like to see my parents upset and worried.*

Wolverhampton Resident



## How will this be supported?

### STRONG AND RESILIENT COMMUNITIES

The delivery of this strategy focusses on working closely with a diverse range of partner organisations. Utilising the connections available to us to maximise opportunities for matrix working, ensuring that support is received by those that need it most, at the time they need, preventing escalation into crisis.

The work of the financial wellbeing partnership, which will be guided by the cost of living crisis plan, will strengthen the shared commitment our council has to the residents of Wolverhampton. Streamlining our work with households will give confidence that those most in need will be identified early, residents will access the support they need delivered by services most local to them, preventing escalation.

By taking an outwards looking attitude to help unlock the diverse range of skills and knowledge already out there in local communities and building on the strengths that people have the help themselves. Taking a restorative approach to working with people, supporting them to tackle issues early and support them on their journey from reliance to resilience.

Although initiated and ultimately accountable to the council, this strategy aims to be meaningfully owned by all those who engage, to truly drive it forward.

#### Children 0-17

Support children from an early age to develop the skills and attitudes they will need to manage their finances in adult life

#### Young people 18-24

Support young people into education, skills and training opportunities to secure their futures

#### Working age 18-64

Encouraging working-age people to build their financial resilience and plan for the future

#### Older people 65+

Ensure older people make the best use of their money in retirement

# How will we know this has made a difference?

## MEASURING SUCCESS

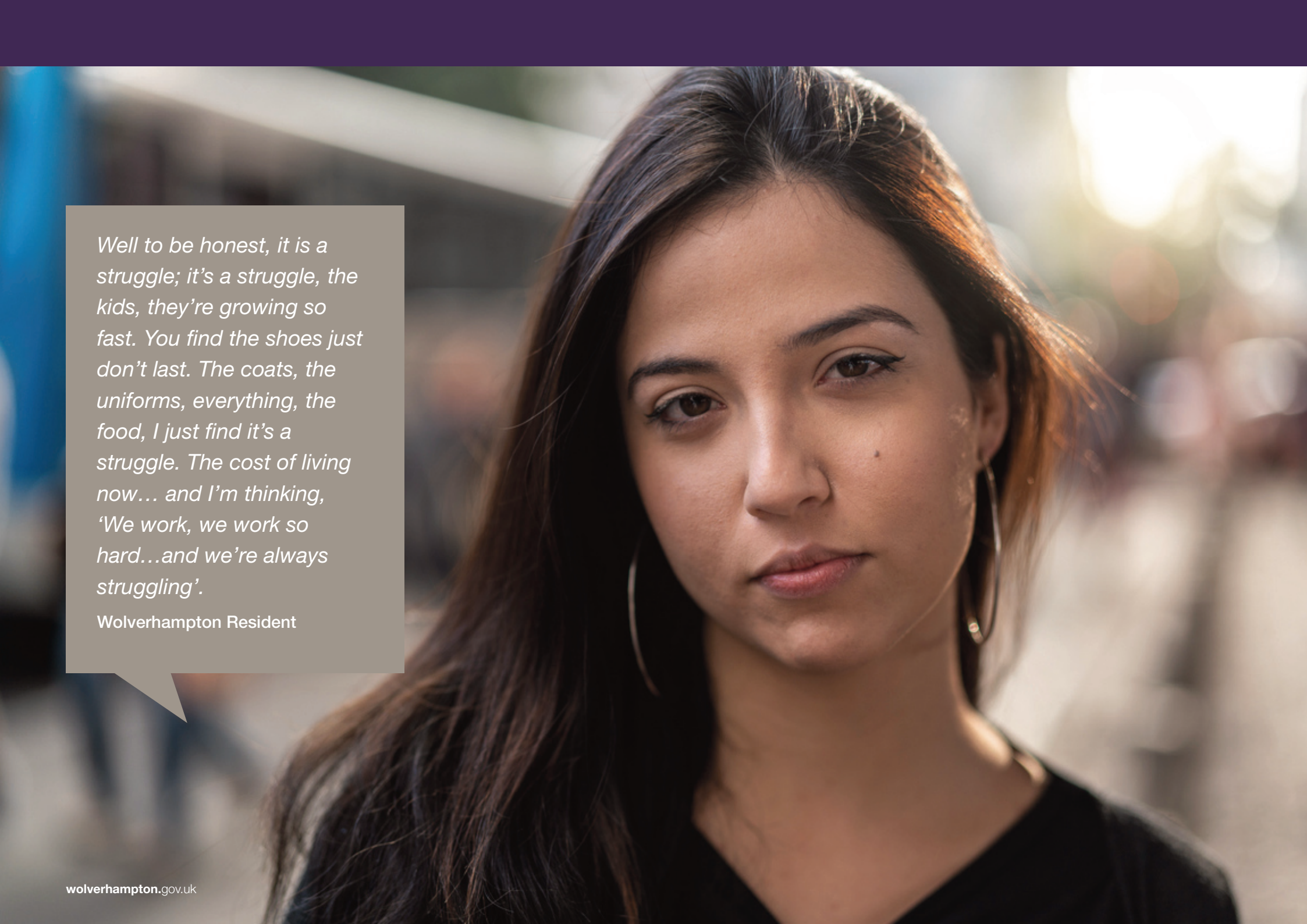
### Some of the ways in which we will see the impact of the strategy and evidence change include:

- ▲ Increase in the number of households accessing information, support and guidance at the earliest opportunity.
- ▲ Increase in the provision of community led initiatives that act as an 'anchor' and are able to respond to local need.
- ▲ Increase in the number of people that take up the financial support for which they are eligible.
- ▲ Increase in the number of working-age people who contribute to savings schemes and pension funds; and affordable financial products.
- ▲ Increase in the access to food provision via a joined up network of providers.
- ▲ Increase in the numbers of households who feel confident to manage their own finances.
- ▼ Reduction in the number of households experiencing crisis and financial hardship.
- ▼ Reduction in the number of services people pass through to get the support they need, when they need it.
- ▼ Reduction in the reliance on food support.
- ▼ Reduction in the number of households needing immediate and crisis intervention.

In this strategy, we have shown that there is a lot that everybody can do. It will not be quick or easy, but with vision, commitment and collaboration, we can all play a part in supporting residents of our city so that prosperity is more equally shared and the most vulnerable people and places are not left behind.

We anticipate that those who can make change happen, will start to see they are part of a wider movement by supporting communities to create and implement locally led solutions and build capacity for bigger change.





*Well to be honest, it is a struggle; it's a struggle, the kids, they're growing so fast. You find the shoes just don't last. The coats, the uniforms, everything, the food, I just find it's a struggle. The cost of living now... and I'm thinking, 'We work, we work so hard...and we're always struggling'.*

**Wolverhampton Resident**

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audio or in another language by calling 01902 551155

**wolverhampton.gov.uk** 01902 551155

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