

Hampshire Federation

Financial Resilience
Report April/May 2020

www.serveandprotectcu.co.uk



PART OF THE SERVE AND PROTECT FAMILY

POLICE/CU **MILITARY/CU** **PRISON/CU**



How can Serve and Protect Credit Union Help Regional Welfare Funds?



If you are interested in a free-of-charge report like this one about the financial resilience of your local constabulary, contact us on info@serveandprotectcu.co.uk



Welfare support contact in-office



We are a **free employee benefit** provided via payroll deduction



Contact us on info@serveandprotectcu.co.uk or call **0121 700 1220**.

What does it mean to be Financially Resilient?

Financial resilience is understood as the ability of an individual or household to withstand life events that impact their income and/or assets.

Events such as job loss, unexpected illness, and divorce to name a few all have a significant impact on our finances.

It is important to be aware of what financial resilience is, and how financially resilient we are, in order to endure situations that make demands on our monetary resources.



Who are Serve and Protect Credit Union?

At Serve and Protect Credit Union, our mission is to improve the financial resilience of those who serve and protect our nation. We provide a free employee benefit built to encourage members to save for their financial future, and to be there for them if they should ever need to borrow.

Our field of membership includes current and former employees of the Police, HM Armed Forces, Prison Service, Health Service, and Fire & Rescue Services. Our products are designed specifically around the needs and requirements of those who are currently, or have been formerly, employed by any of those sectors.¹ As a credit union, we place a huge importance on the financial wellbeing of those who serve and protect our nation. We recognize the important role our members play within society and the day-to-day challenges they face. We have conducted research which indicates money worries can often have a significant impact on the ability of those employed by the Police, HM Armed Forces, Prison Service, Health Service, and Fire & Rescue Services to perform their jobs effectively.²

To help address and overcome the issues that affect so many people employed across the Serve and Protect family, we have been working closely with our partners to provide an ethical alternative to banks and payday lenders for those in financial need. Serve and Protect Credit Union not only offers savings and loans products to suit a range of requirements, but also educational briefs in the workplace highlighting the importance of financial resilience.

How was this Report Produced?

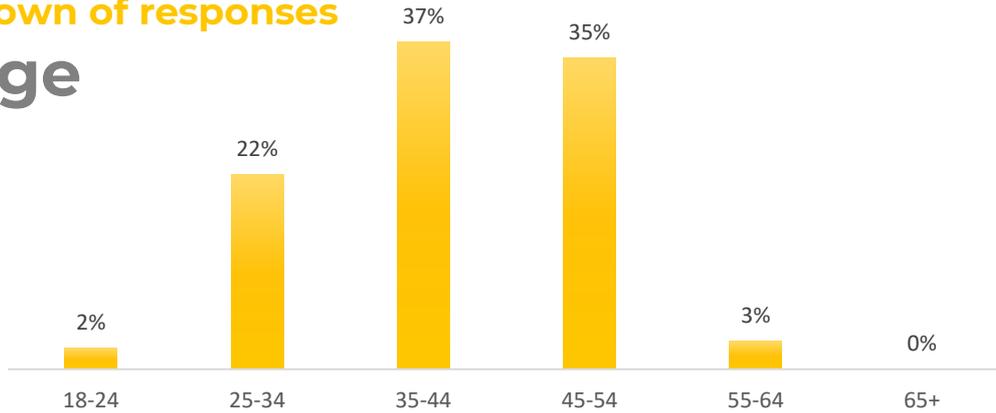
A mailshot survey was sent out via Hampshire Police Federation to those who had agreed to receive email communications. The link to the survey was also advertised on social media, so that those who did not receive the email could still have their say. A total of 645 responses were gathered between 27th April and 1st June 2020. 99% of respondents work for Hampshire Constabulary, with 1% working for other police forces.³ The other demographical data that was collected was the age band of respondents, the year that they joined the force, and the county that the respondents live in. Results are displayed below.

¹ Serve and Protect serves existing and former employees of the Police, HM Armed Forces and Prison Service. Former employees must be in receipt of a pension from the relevant employer. Serve and Protect also offers membership to family who live at the same address as the existing member.

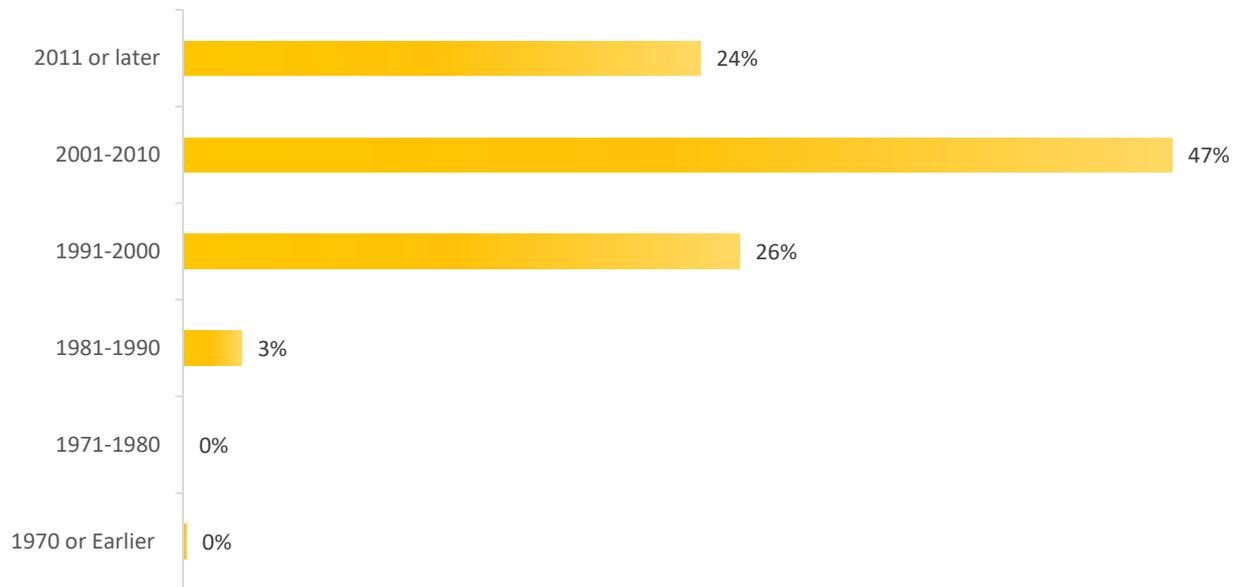
² file:///C:/Users/EMullen/Police%20Credit%20Union%20Ltd/Business%20Development%20-%20Documents/Project%20Management/E%20Mullen/Documents/Financial%20Resilience/S&P_Financial_Resilience_Report_2019.pdf

³ There was one respondent employed by each of the following police forces: Hertfordshire, Humberside, Norfolk, Sussex, Wiltshire, and North Wales

Breakdown of responses By age



By date of joining the Police



By Home Address

Most respondents said that their home address was Hampshire at 87%, however there were also respondents who lived elsewhere:

- Berkshire – 1% of respondents
- Dorset – 3 % of respondents
- Isle of Wight – 4% of respondents
- Surrey – 2% of respondents
- West Sussex – 1% of respondents

There was also 1 respondent each with home addresses in Devon, Norfolk and West Yorkshire.⁴

⁴ The amount of 1 respondent is too small to be represented as a whole percentage.

In a little more detail...

The next section details the questions that were asked in the mailshot survey that respondents answered, and highlights trends that emerged. Where there is a notable trend dependent on respondent's age or the year that they joined the force, this is also noted. Below are some of the statistics which stand out the most from the respondent's answers.

46% of respondents took a pay cut when they joined the Police

43% of respondents said that their financial situation impacts their ability to so their job

88% of respondents would not be able to cope financially if their circumstances changed

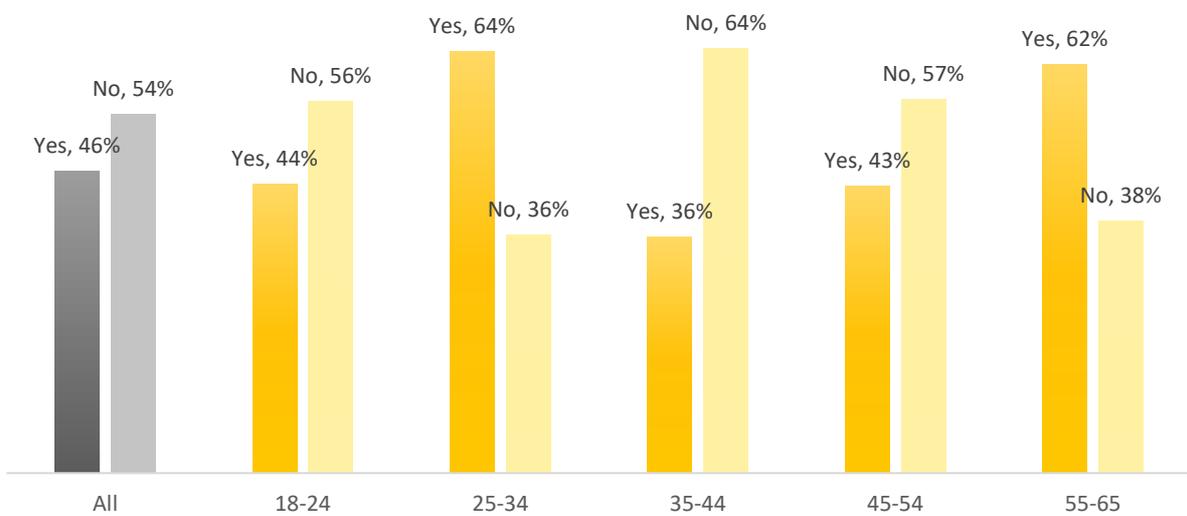
58% of respondents have considered a career outside of the police to improve their finances

68% of respondents would consider using the Welfare Fund

Did you take a **pay cut** when you joined the Police?

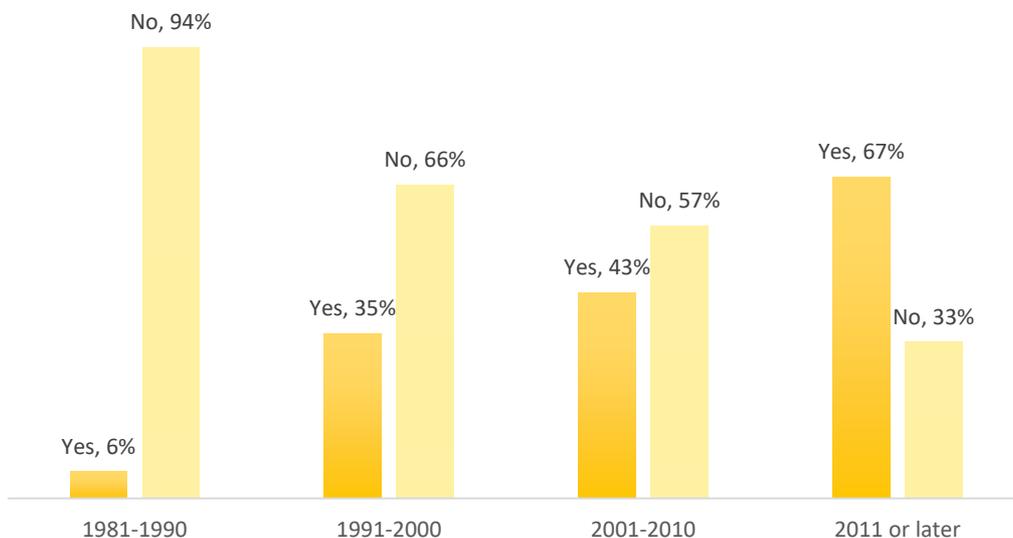
Of all respondents, 46% said that they took a pay cut when they joined the Police Force. When broken down by age, there are notable spikes in the proportion of respondents who said 'yes' between the ages of 25-34

years old, and those aged between 55-65 years old. However, the largest proportion of those who answered 'no' were aged between 35-44 years old.



Just 6% of respondents who joined the Police between the years of 1891 and 1990 took a pay cut. The more

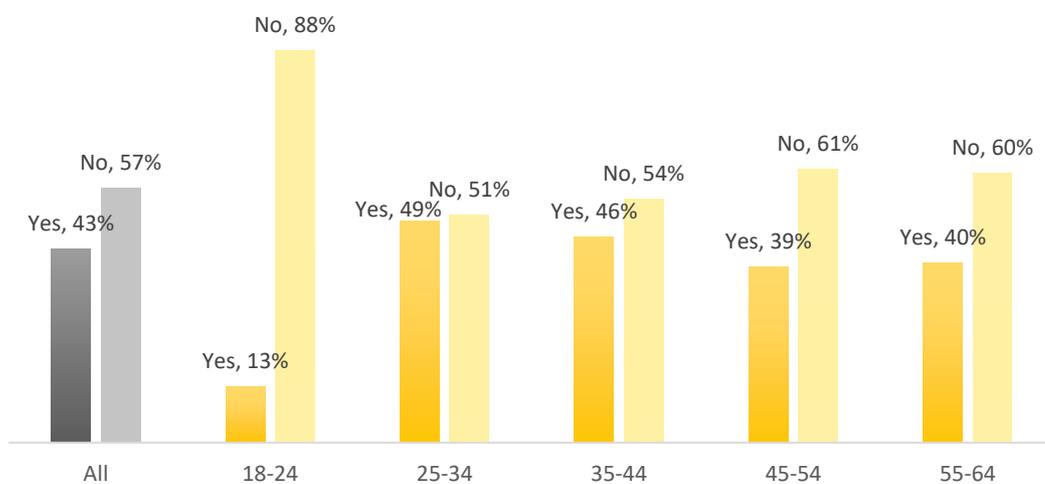
recently the respondents joined the Police, the higher the proportion of the respondents who took a pay cut.



Do you feel that your finances have an impact on your **ability to do your job effectively?**

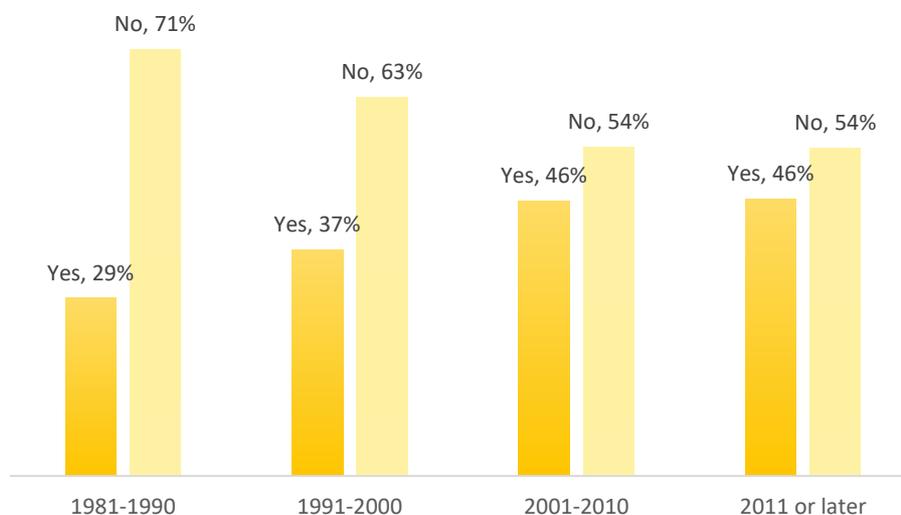
43% of all respondents said that their finances have an impact on their ability to do their job effectively. Those aged between 18-24 years old

had the lowest proportion respondents who answered 'yes', and the responses were consistent across the other age bands.



Respondents who joined the Police more recently were more likely to feel that their finances have an

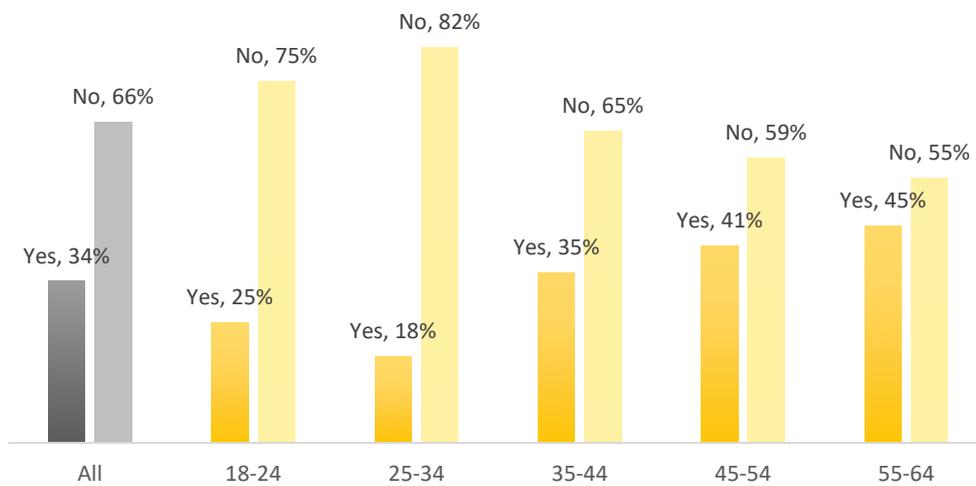
impact on their ability to do their job effectively than those who joined the Police earlier.



Do you feel that your **current wage is enough to protect you** in times of financial difficulty?

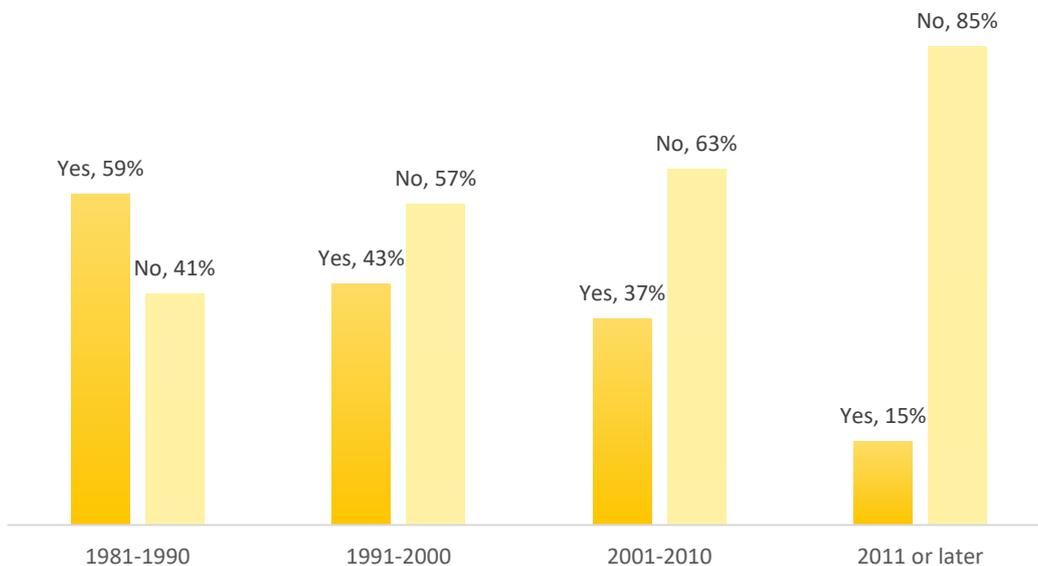
66% of all respondents said that their current wage is not enough to protect them in time of financial difficulty. A higher proportion of younger respondents felt this way,

while a larger proportion of older respondents tended to feel that their current wage is enough to protect them in times of financial difficulty.



Those who joined the Police in the year 2011 or later had the largest proportion of respondents who felt that their current wage would not be

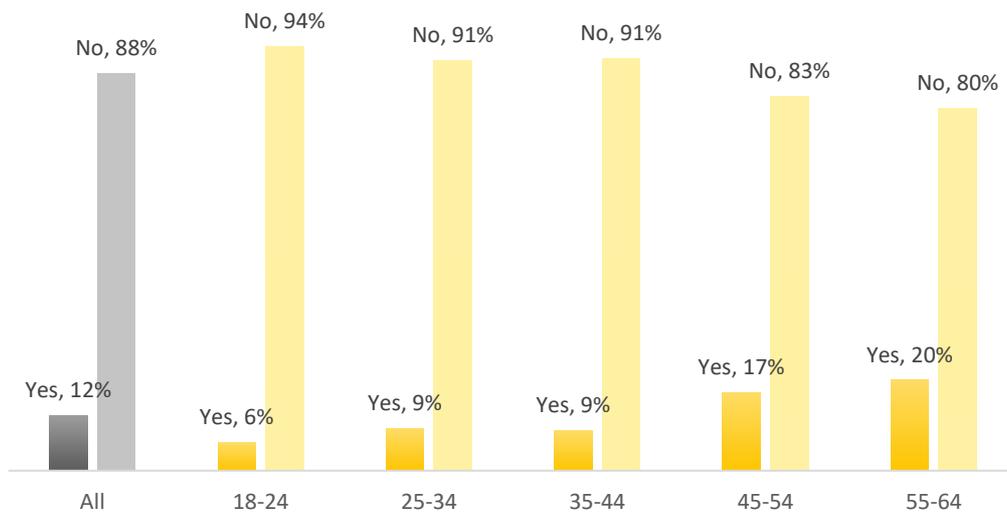
enough to protect them in times of financial difficulty, at 85%. There was little variation in the responses given by those who joined the force earlier.



Would you be able to cope financially with a change in circumstances such as job loss, health issues or divorce?

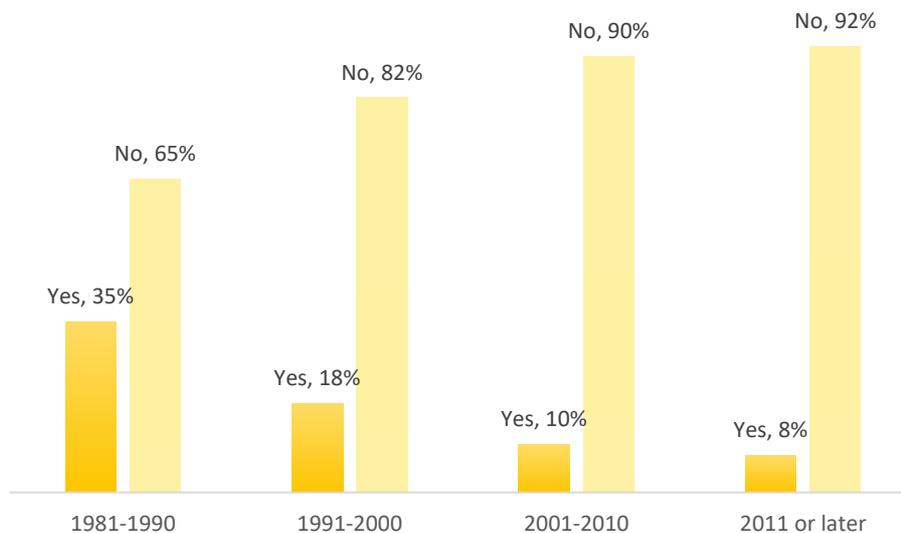
88% of all respondents said they would not be able to cope financially with a change in circumstances. This

was consistent when results were broken down by age of respondents.



The highest proportion of those who said they would be able to cope financially with a change in circumstances was 65% of those who

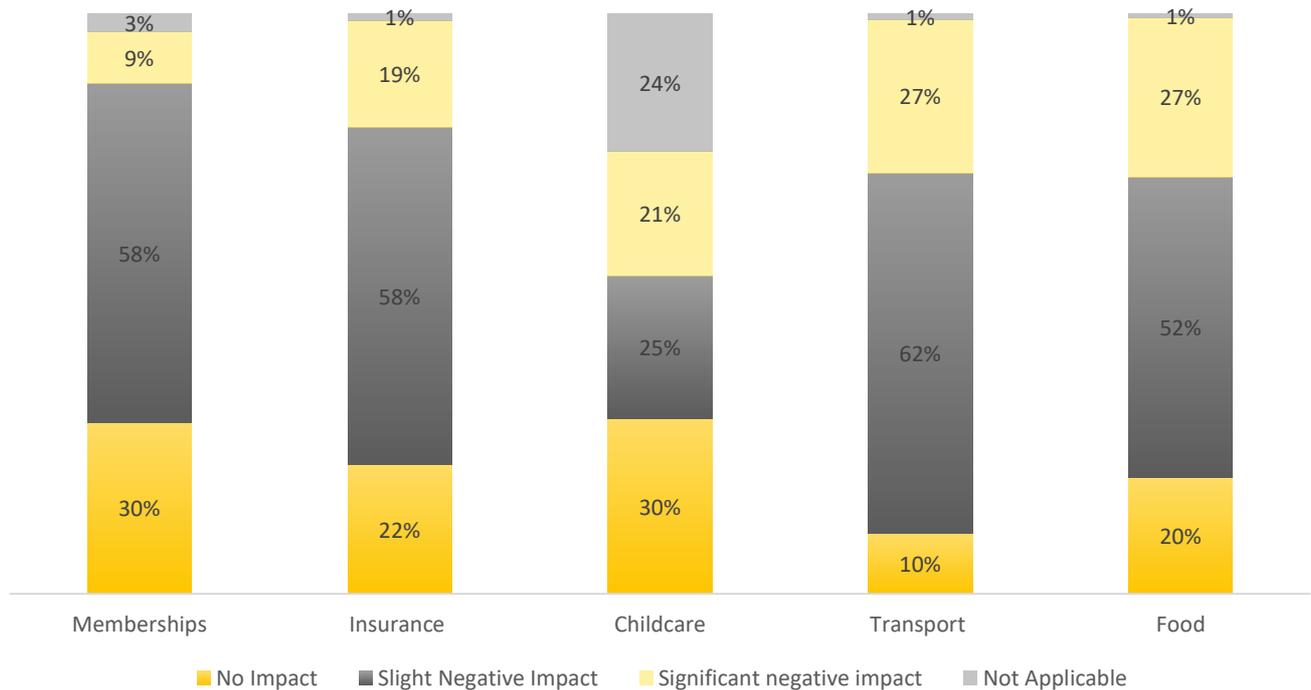
joined the Police during the years of 1981 and 1990. Answers were consistent across the other date ranges.



Please indicate how each of the below **impacts your finances**, in relation to how much you spend on each item as a result of work.

For this question, respondents were asked to indicate if each of the options had any of the following impacts on their finances; No Impact; Slight Negative Impact; Significant Negative Impact; Not Applicable. The table below represents data from all respondents.

Work related transport had the largest combined negative impact on respondents' finances, followed by work related food, insurance, and memberships spends. Childcare had a relatively low financial impact across the responses.



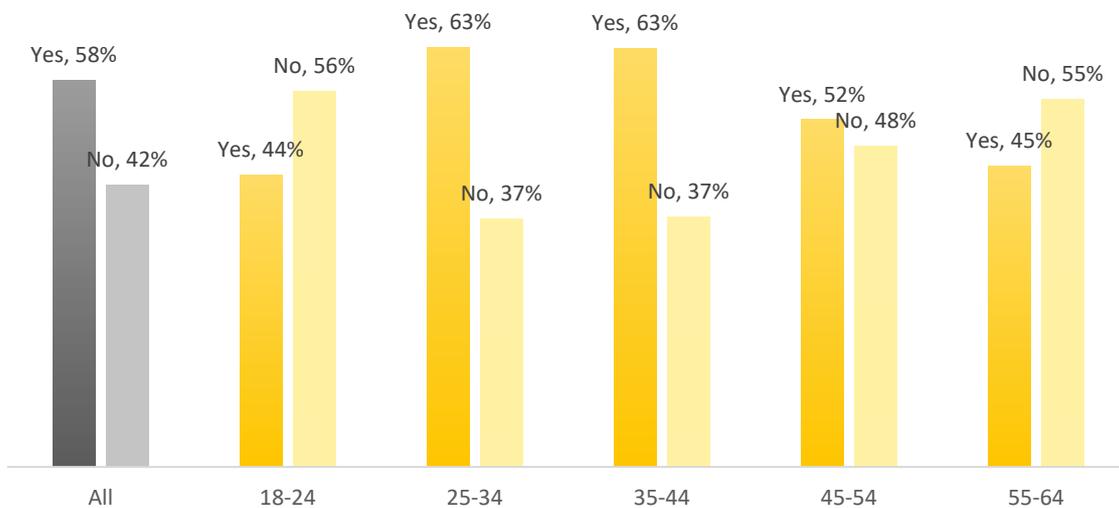
Respondents were also given space to write comments about anything else they need for work that has a negative impact on their finances. Comments included Annual Leave

Availability; Uniform and Uniform Maintenance; Physical Fitness; Tax and Pension; and Reduced Working Hours.

Have you ever considered a career outside of the Police due to your personal finances?

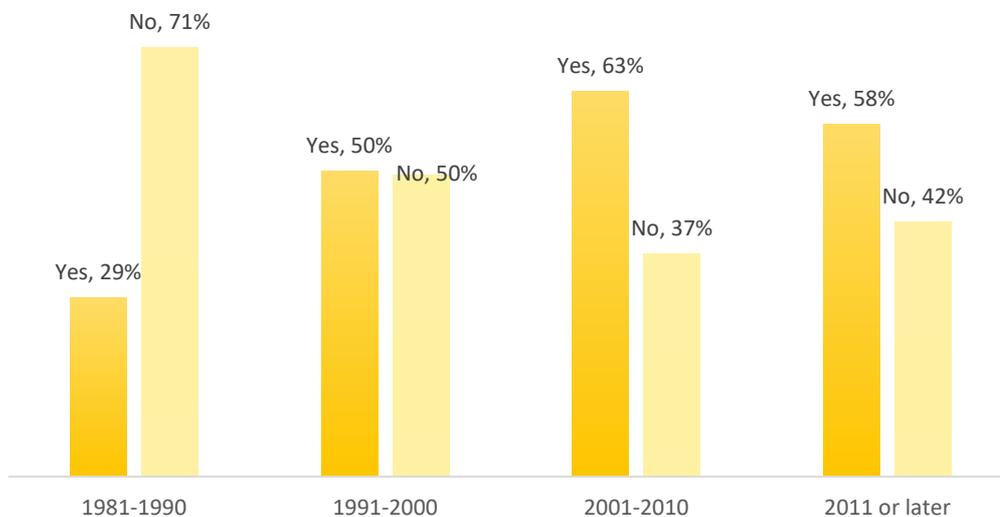
58% of all respondents answered that they have considered a career outside of the Police due to their personal finances. Results fluctuated by around 20% between the lowest

and highest proportion of respondents. Those aged between 25-44 years old had the highest proportion of respondents who answered 'yes', at 63%.



When broken down by date respondents joined the Police, those who joined earlier had lower proportions of respondents who answered that they have considered

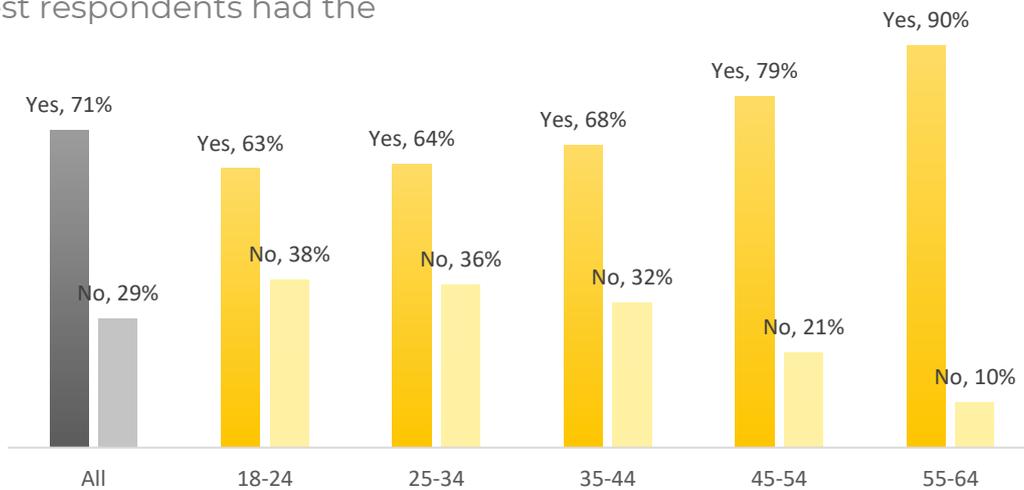
a career outside of the police due to their personal finances, compared with those who joined the force more recently.



Do you know **who to turn to for financial advice or support** within your organisation?

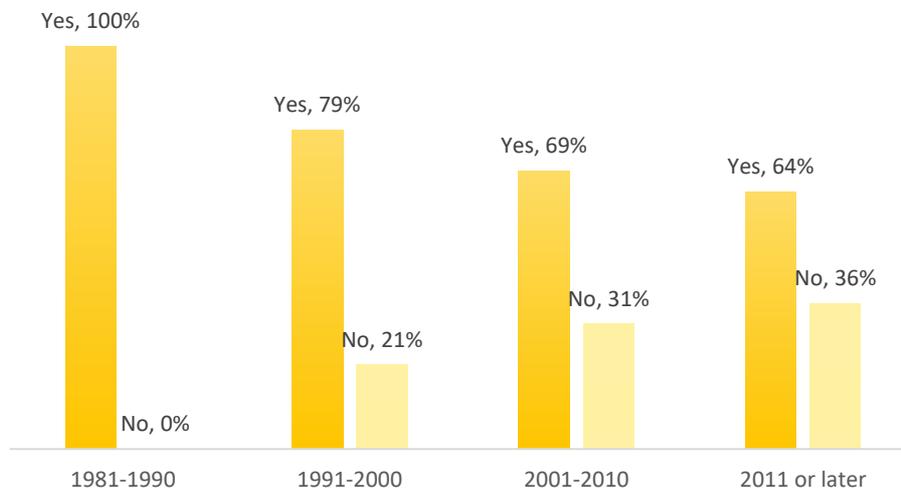
71% of all respondents know who they should turn to for financial advice or support within their organization. The trend shows that the oldest respondents had the

highest proportion of respondents who knew who to turn to, whereas the youngest respondents had the lowest.



The same trend is indicated when respondents are broken down by the date they joined the force. The respondents who joined the force earlier had the highest proportion of

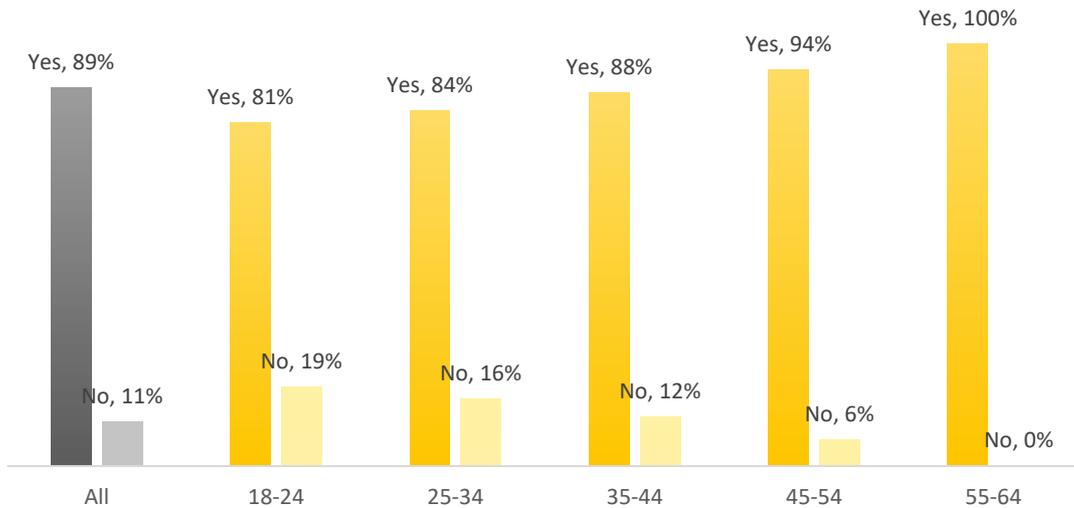
people who know who to turn to for financial advice within their organization, whereas those who joined more recently have the lowest proportion.



Before taking this survey, were you aware of the **Welfare Fund**?

89% of all respondents were aware of the Welfare Fund before taking this survey. Answers were consistently positive across age bands and the

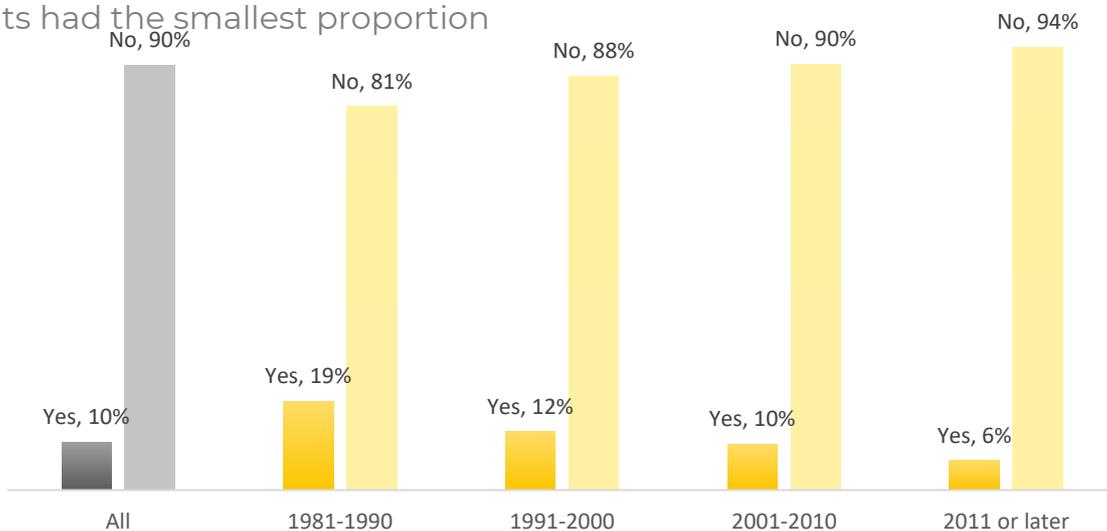
time that respondents joined the Police, with the oldest respondents who joined earlier having the highest proportion of those answering 'yes'.



Have you used the **Welfare Fund**?

10% of all respondents have used the Welfare Fund at some point in their career. The highest proportion came from those who joined the force earliest, at 19%, while the more recent recruits had the smallest proportion

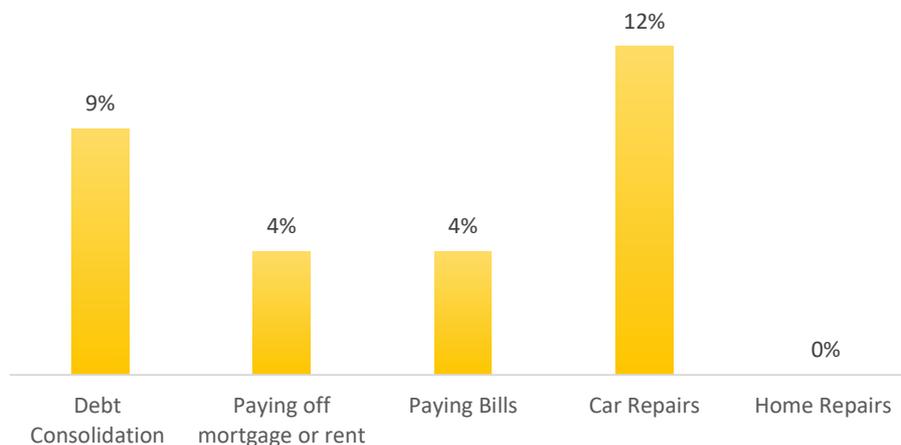
of those who answered 'yes'. This trend was reflected across age bands, with the eldest respondents having the highest proportion of those who answered 'yes'.



What did **you** use the Welfare Fund for?

For this question, respondents were given a list of options, as well as space for them to list anything else they might have used the Welfare Fund for. 70% of those who had used the Welfare Fund selected the 'other' option, and wrote a range of answers,

the most common of which are presented in the list below. The remainder of responses were spread across the options given, with the majority selecting Car Repairs at 12%, followed by Debt Consolidation at 9%.

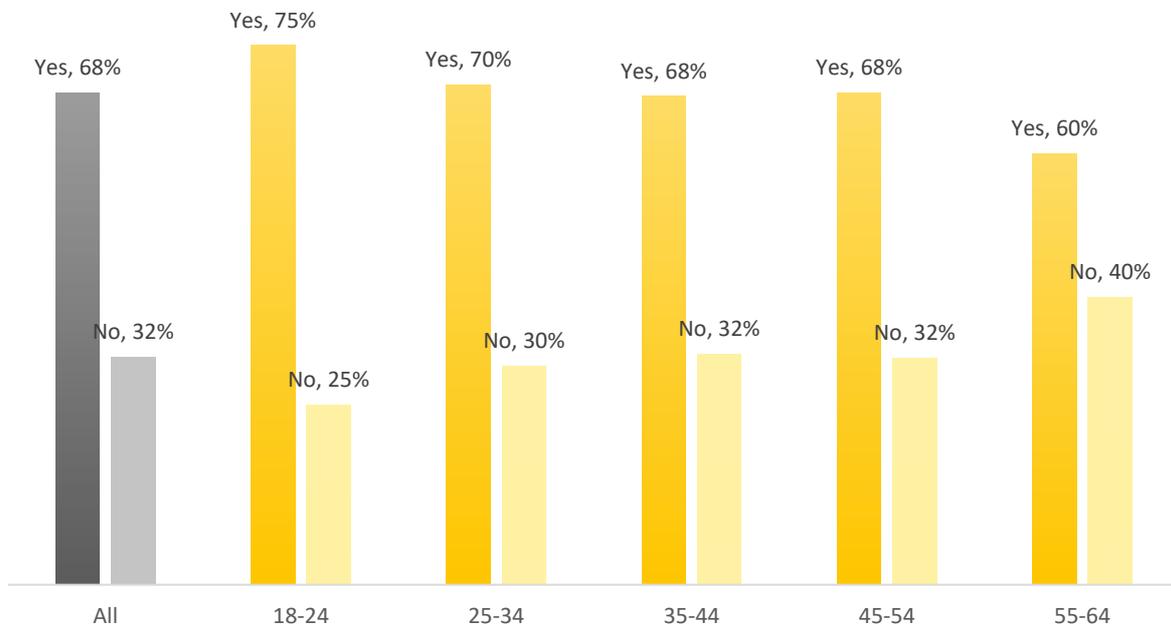


‘Other’: Flint House; Furniture Grant; Divorce Related Costs; Disability Aids for Family; Sickness Vouchers; Medical Costs; Transport for Training; Loan for House/Flat; Child Adoption; Buying Food; Court Costs

Would you consider using the Welfare Fund again or for the first time?

68% of all respondents said that they would consider using the Welfare Fund, either again or for the first time. The youngest respondents had the highest proportion of those who answered 'yes' at 75%, while older respondents had the highest proportion of those who would not

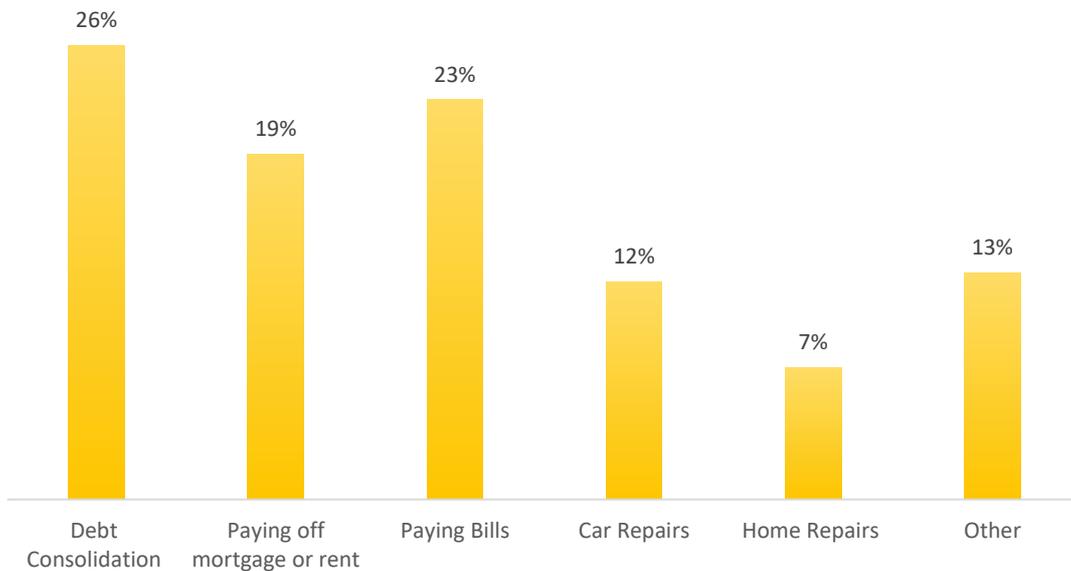
consider using the Welfare Fund, at 40%. This was reflected in the trend when broken down by date that respondents joined the Police, with the highest proportion of respondents answering 'no' at 38% by those who joined the force in 1981 or earlier.



What would you use the Welfare Fund for?

For this question, respondents were given a list of options, as well as space for them to list anything else they would consider using the Welfare Fund for. The responses are

listed below. Of the options given, Debt Consolidation received the highest proportion of selections by respondents at 26%, following by Paying Bills at 23%.



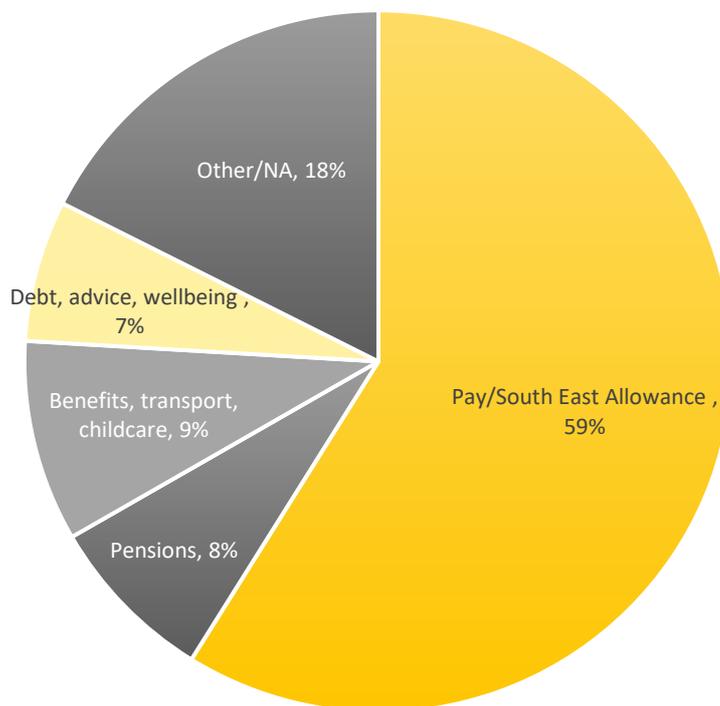
‘Other’: Emergency Medical Costs; Cost of Moving Home; Emergency Bills; Childcare; Disability Equipment; Flint House; COVID-19 Related Financial Loss; Travel Costs

Concluding Thoughts

What more can be done?

At the end of the survey, respondents were given a large free text area to express their feelings about what more could be done by the federation to improve their financial

wellbeing. The main subjects of the responses were analyzed and have been categorized into the groups in the graph below.



The full responses can be found in the accompanying document. It is worth noting that a handful of respondents answered that they feel they are in a comfortable financial situation, and that they are fully

aware of the welfare service should they need to use them. Several called for more information about the welfare services available, and several mentioned wanting to know more about alternatives as well.

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