

Bleak Expectations:

THE ONGOING FINANCIAL IMPACT OF THE PANDEMIC

Findings from the 5th Coronavirus Financial Impact Tracker Survey

Sharon Collard, Elaine Kempson and Jamie Evans
December 2021

abrdn Financial Fairness Trust has commissioned YouGov to conduct a periodic cross-sectional tracker survey on the financial impact of the coronavirus pandemic across the UK. The first four surveys were conducted in April, May and July 2020 and March 2021. The fifth – the findings of which are presented here – was conducted in October 2021. The findings are based on responses from 5,770 individuals about their income, payment of bills, borrowing, debt, savings and ability to pay for other essentials such as food. A team from the University of Bristol analysed the data and produced these findings.

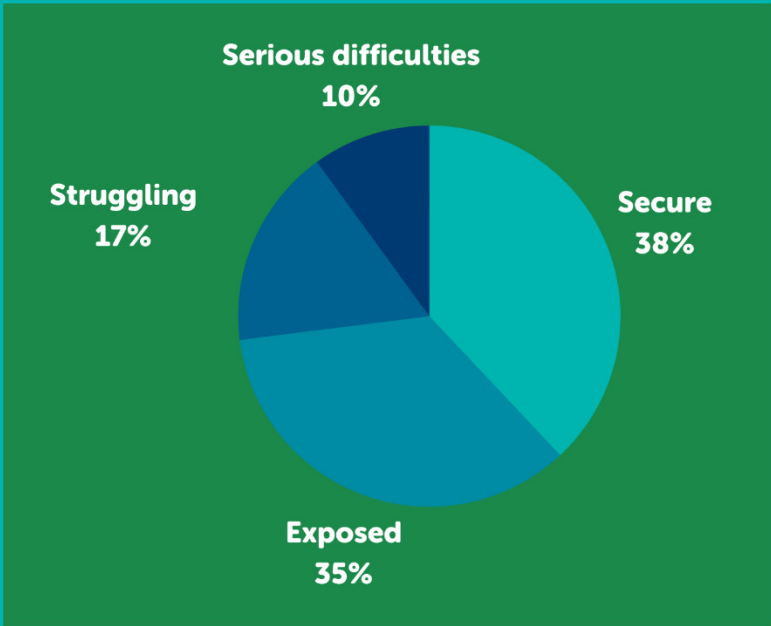


OVERVIEW

In October 2021, while four in ten UK households (38%, 10.5 million households) enjoyed high levels of financial wellbeing and were *financially secure*, more than a quarter (27%, 7 million households) were either *struggling to manage* (4 million households) or *in serious financial difficulties* (3 million households). This picture was largely unchanged from April 2020. However, even most *financially secure* UK households said they were having to spend more because of the rising costs of essentials, highlighting the cost of living crisis facing UK households coming in winter 2021.

This fifth edition of the Tracker also took stock of how UK households have fared financially over the 18 months of the pandemic to October 2021. The data confirms that the pandemic has exacerbated the financial resilience gap that already existed prior to March 2020. We found that for every household that saw their financial situation get a little or a lot better (21% of all UK households), two households saw their financial situation get a little or a lot worse (38%).

The data suggests that the financial resilience gap could widen even more between October and December 2021, polarising UK households further according to those who have fared worst and best over the course of the pandemic. Among households whose financial situation had already deteriorated substantially, the financial outlook was estimated to be poor or quite poor for 72% of them. The outlook was similarly bleak for single parent households (with 65% estimated to have poor or quite poor financial prospects); those with a disabled householder (66%); households receiving Universal Credit (83%); and workless households receiving Universal Credit (91%).



7m
households struggling or in serious financial difficulties

38% vs 21%

For every household that saw their financial situation improve over the course of the pandemic, two households saw their financial situation worsen

The financial outlook was particularly bleak for some UK households...

- 66%** of those with a disabled householder
- 65%** of single parents
- 83%** of households receiving UC
- 91%** of workless households

INTRODUCTION

In October 2021, the COVID-19 booster vaccination rollout was underway in the UK, seeing 7.3 million people receive a booster by the end of the month.¹ There were fears about growing pressure on household finances as the crisis in the energy market led to the failure of more small energy firms; vehicle owners faced record-high fuel prices; and supply chain problems continued to raise concerns about shortages. In the Autumn Budget and Spending Review, delivered on 27 October, the Chancellor focused on paving the way for an "economy of higher wages, higher skills, and rising productivity"² while in its response the Institute for Fiscal Studies warned that "High inflation, rising taxes, and poor growth, still undermined more by Brexit than by the pandemic, will see real living standards barely rising and, for many, falling over the next year."³

Fieldwork for the 5th Coronavirus Financial Impact Tracker Survey took place between 13-21 October 2021, with the findings in this report based on responses from 5,770 people.

The first part of this report examines the financial wellbeing of UK households in October 2021.

The second part looks more at the polarising financial impact of the pandemic, which has served to widen the existing financial resilience gap. We describe which households have seen their situations significantly deteriorate since the pandemic and which have seen their situations substantially improve.

In the third part, we consider four groups of households that have been badly affected financially by the pandemic but to date have received little policy or media attention: householders with a disability; single parents; households who receive Universal Credit; and workless households on Universal Credit.

Explanatory notes

- While 6,570 people responded to the survey, most figures in this report are based on the 5,770 householders who are responsible for their household finances.
- Our financial wellbeing categorisation is based on a composite measure using four measures of financial strain (assessment of current financial situation; how much of a struggle to pay for food and other necessities; how much of a struggle to pay bills and other commitments; arrears including payment holidays on bills and household commitments) and three of financial resilience against income shocks (ability to cover an unexpected bill equivalent to a month's income; how long could make ends meet if experienced a fall in income of a third or more; amount held in savings).
- Our change in financial situation score is based on a composite measure comprising three questions covering reported changes in income, in overall financial situation and in the amount held in savings over the 18 months to date of the pandemic.
- For further details see the **technical note** at the end of this report.

¹ GOV.UK (2021a), [Over 7 million people in the UK receive COVID-19 booster jabs](#).

² GOV.UK (2021b), [Autumn Budget and Spending Review 2021 Speech](#).

³ Johnson, P. (2021), [Autumn Budget and Spending Review 2021](#). Institute for Fiscal Studies.

THE FINANCIAL WELLBEING OF UK HOUSEHOLDS IN OCTOBER 2021

In October 2021, while four in ten UK households (38%, 10.5 million households) were *financially secure*, more than a quarter (27%, 7 million households) were *struggling* to manage or *in serious financial difficulties*. This picture was largely unchanged from April 2020, although the situation of households *in serious financial difficulties* had deteriorated.

The UK's financial wellbeing in October 2021 was similar to April 2020

The Tracker Survey has a composite measure of financial wellbeing based on the extent of financial strain experienced by households and the level of their financial resilience. This allows us to segment UK households into four groups depending on their financial wellbeing: from *financially secure*, through to *potentially exposed financially*, *struggling to make ends meet* and *in serious financial difficulty*.

While the financial wellbeing of UK households in October 2021 looked similar to the picture in April 2020⁴, more households were *financially secure* and their mean financial wellbeing score had slightly increased (Appendix Table 1). While roughly the same proportion of households was *in serious financial difficulty* in October 2021 as April 2020, their mean financial wellbeing score had decreased:



Financially secure: Four in ten UK households (38%, equivalent to 10.5 million households) were *financially secure* in October 2021, with a slight increase in the size of this segment compared to April 2020 (34%). The mean financial wellbeing score of *financially secure* households (out of 100) showed a small but statistically significant increase, from 91 in April 2020 to 92 in October 2021.⁵



Potentially exposed financially: More than a third of UK households (35%, 10 million households) were currently managing but *potentially exposed* due to factors such as low savings or high borrowing, with a slight decrease in the size of this segment compared to April 2020 (38%). The mean financial wellbeing score of *potentially exposed* households was the same as April 2020 (65).



Struggling to make ends meet: Around one in six (17%, 4 million) UK households were struggling to keep up with living costs, bills and commitments but had mostly avoided falling into arrears. This segment was very slightly smaller in size compared with April 2020 (17%); their mean financial wellbeing score was the same (41).



In serious financial difficulty: One in ten (10%, almost 3 million) UK households faced *serious financial difficulty*, with most in arrears on at least one bill and almost all feeling anxious about money. The size of this segment in October 2021 was the same as in April 2020; but their mean financial wellbeing score showed a small but statistically significant decrease (from 19 in April 2020 to 17 in October 2021), indicating that the average financial wellbeing of this segment had deteriorated.





⁴ As we do not have data for the financial wellbeing of UK households pre-pandemic, we cannot assess the effect of the initial economic shock of the pandemic at the end of March 2020.

⁵ The survey questions that make up the score are shown in Tables 1 and 4, marked with an asterisk. A higher score indicates better household financial wellbeing.

Table 1 looks across several dimensions to examine in more detail how well UK households were managing financially in October 2021 according to their current level of financial wellbeing.

It is notable that even most *financially secure* UK households reported having to spend more because of the rising costs of essentials (58%), highlighting the cost of living crisis that UK households faced in winter 2021. However, on all other measures in Table 1, *financially secure* households were doing much better, for example just 3% of these households said their spending had fallen because they needed to cut back in order to manage, compared with 62% of those *in serious financial difficulty*.

Table 1 – How UK households were managing in October 2021, by their level of financial wellbeing

	All UK households	 Financially secure	 Potentially exposed financially	 Struggling to make ends meet	 In serious financial difficulty
Struggling to pay for food and/or bills	13%	0%	2%	20%	85%
Used credit for essentials in past 4 weeks	14%	1%	9%	30%	52%
Spending increased entirely due to rising costs	62%	58%	60%	65%	73%
Fall in spending entirely due to having to cut back	19%	3%	17%	37%	62%
Arrears on 3+ commitments	6%	0%	3%	9%	29%
Financial outlook is poor ⁶	17%	0%	2%	42%	95%

There were signs of positive change on some indicators for households that were *in serious financial difficulty* and *struggling financially*: for example, the proportion that felt it was very likely they would have a drop in income in the next three months fell between February and October 2021 (from 28% to 16% and 19% to 10% respectively). And among those *in serious financial difficulty* there was also a statistically significant drop in the proportion that currently had a payment holiday (from 28% in February 2021 to 22% in October 2021; Appendix Table 1). Even so, it remained the case that 95% of households *in serious financial difficulty* had a poor financial outlook in October 2021 (Appendix Table 5), the same as in February 2021.

⁶ Calculated from a Principal Components Analysis of questions: likelihood of income fall, confidence in financial situation in next three months and ability to pay bills in next three months (above) and ability to meet unexpected expense, how long could cope without borrowing if faced income fall and number of months savings

HOW HAVE UK HOUSEHOLDS FARED FINANCIALLY OVER THE PANDEMIC?

We take stock of how UK households have fared financially over the 18 months of the pandemic to October 2021, based on new survey questions that householders were asked. Focusing on those households that fared worst and best, we see that the pandemic has exacerbated the financial resilience gap that already existed prior to March 2020.

Four in ten UK households saw their financial situations get worse

In this edition of the Tracker, we asked UK householders new questions so that we could assess the extent of change in households' financial circumstances over the pandemic. Using a composite score of financial change⁷, we found that for every household that saw their financial situation get a little or a lot better, two households saw their financial situation get a little or a lot worse:



21% of UK households saw their financial situation get a little (15%) or a lot (6%) **better** over the 18 months of the pandemic.



38% of UK households saw their financial situation get a little (21%) or a lot (17%) **worse** over the 18 months of the pandemic



40% of UK households saw their financial situation **stay about the same**.

Table 2 compares the two extremes – households who had seen their financial situation seriously deteriorate, and those who had seen substantial improvement. It shows that pandemic-related loss of earnings is a major factor in explaining why households' financial situations had got a lot worse since March 2020 (more than twice as many had lost earned income - 59% c.f. 26% of those who experienced a substantial improvement). Also striking is the proportion of these seriously impacted households that were still experiencing pandemic-related earnings shocks in October 2021 (47%, c.f. only 7% of those who experienced a substantial improvement); and the length of time they had been living on reduced earnings, with 39% of them living on less earned income for 12 or more months due to the pandemic; and 26% living on less earned income for the full 18 months of the pandemic (Appendix Table 10d).

Flowing from this household income picture, the data tells a story of vicious cycles on the one hand and virtuous circles on the other.

Households whose financial situation had got a lot worse experienced a vicious cycle where a prolonged and deep financial income shock meant they drew heavily on savings (where they had them) and increased the amount they owed in consumer credit debt (i.e. on credit cards, overdrafts and personal loans). For around three in ten (27%) this was accompanied by a big change in their spending patterns

⁷ The composite score of financial change is derived from a Principal Components Analysis of three questions covering reported changes in income, in overall financial situation and in the amount held in savings over the 18 months to date of the pandemic.

for entirely negative reasons – which meant their spending fell because they had to cut back and/or their spending rose because of cost increases. In contrast, households whose financial situation had got a lot better experienced a virtuous circle where fewer than 1% saw their savings decrease a lot (and 57% saw their savings increase a lot); only 3% owed a lot more in consumer credit (and 17% now owed a lot less than before); and only 4% saw their spending change for entirely negative reasons (Appendix Table 10a).

Table 2 - Pandemic-related changes in household financial situations: the two extremes

	Households whose financial situation got a lot worse (17%, 4.7m)	Households whose financial situation got a lot better (6%, 1.7m)	All households (27.8m)
Lost earned income due to the pandemic	59%	26%	31%
Earnings still affected in October 2021	47%	7%	18%
Had less earned income for 12+ months	39%	6%	13%
Spending changed for negative reasons	27%	4%	9%
Savings decreased a lot	46%	<1%	14%
Consumer credit debt increased a lot	19%	3%	6%

The extent to which households' financial situations had changed over the pandemic was closely correlated to their financial wellbeing. Most of those (60%) whose financial situations had seriously deteriorated over the course of the pandemic also had low financial wellbeing in October 2021 and were either *in serious financial difficulties* or *struggling to make ends meet*. At the other end of the spectrum, most of those whose financial situations had improved a lot (73%) were *financially secure*.

The pandemic has served to widen the financial resilience gap

There were clear differences in the financial situations of households who fared worst and best financially even before the pandemic, suggesting the crisis has widened the pre-existing financial resilience gap. While households across the income range saw their financial situations deteriorate, it was most marked among those that had lower incomes and less financial resilience to start with.

As a result, the 17% of households whose financial situations had got a lot worse were more likely to:

- **Have lower incomes pre-pandemic.** A quarter (26%) had gross (before tax) household incomes below £15,000 in February 2020 – nearly four times the number who fared best (7%). More than half (54%) had gross household incomes of less than £30,000⁸ (Appendix Table 10b).
- **Be in receipt of out-of-work benefits.** One in six of these households (16%) were in receipt of Universal Credit, Jobseeker's Allowance, Income Support or Employment Support Allowance in February 2020 – nearly three times the number who fared best (6%)(Appendix Table 10b).
- **Have no money in savings.** Four in ten (43%) of those who fared worst had no money in savings in October 2021⁹ compared with just 2% of those who fared best (Appendix Table 12).

⁸ By way of comparison, median disposable household income (*after* direct taxes have been accounted for) in the UK in the financial year 2020 was £29,900 according to [the ONS](#).

⁹ They had no savings in October 2021 either because they had no savings at the start of the pandemic and still had none, or they had savings at the start of the pandemic which they had used up.

The Resolution Foundation has also highlighted the growth in wealth inequality over the course of the pandemic, due largely to increases in asset prices (such as property). This saw the richest 10 per cent of UK households gain over £50,000 per adult, while the poorest 30 per cent of the wealth distribution gained just £86 per adult on average in additional wealth.¹⁰

Many of the factors described above (income, savings, benefit receipt) are linked. Regression analysis of our ‘change in financial situation’ score takes account of these inter-relationships. This tells us the key drivers of changes in household’s financial situations over the pandemic, which we summarise in Table 3. It confirms that having a low household income going into the pandemic and experiencing a major income shock were key drivers of negative changes in household’s financial situations.

Table 3 – Key drivers of positive and negative changes in household’s financial situations

The biggest negative changes in financial situation were driven by:	Change in score:
Job loss/redundancy because of the pandemic	-12
Claiming UC since Mar 2020 and still claiming in Oct 2021	-10
Household income less than £15,000 in Feb 2020	-10
The biggest positive changes in financial situation were driven by:	Change in score:
Having a full-time student in the household in Feb 2020	+12
Being a fully retired household in Feb 2020	+5
Household income was £70,000 or more in Feb 2020	+5

As well as households with higher incomes pre-pandemic, Table 3 shows us that fully retired households fared well financially, probably because they accrued savings due to reduced spending during periods of social restrictions. Households with at least one full-time student in February 2020 were also considerably more likely to see an improvement in their situation. This is largely explained by the fact that, over the course of the pandemic, two academic year groups have graduated from higher or further education and may well have entered the workforce, leading to an improvement in their financial situation.¹¹

The financial resilience gap may widen further by the end of 2021

Our analysis suggests that the financial resilience gap could widen even more between October and December 2021, polarising UK households further according to those who have fared worst and best over the course of the pandemic. Using a composite measure of future prospects¹², we see that the financial outlook for the majority whose financial situation had already deteriorated substantially was not optimistic – estimated to be poor for 43% and quite poor for a further 29% of these households. In contrast, just about all of those (96%) who had already experienced a big uplift in their financial situation over the pandemic seemed likely to stay on that trajectory (Appendix Table 13).

¹⁰ Leslie, J. & Shah, K. (July 2021), [\(Wealth\) gap year: The impact of the coronavirus crisis on UK household wealth](#). London: Resolution Foundation

¹¹ This finding is likely exaggerated because our survey focuses on the financial situation of heads of households, meaning that only those ex-students who now live independently would be included (whereas those now living with their parents, for example, would take on the financial situation of their parents, so would not be treated as a separate independent household.

¹² Calculated from a Principal Components Analysis of six questions on the following subjects: likelihood of being laid off, losing income, or business being affected in next three months; confidence about financial situation in the next three months; expectation of ability to meet bill and other commitments over next three months; ability to meet the cost of an unexpected bill; how long could make ends meet without borrowing if income fell by a third or more; and amount held in savings expressed as number of months of current income.

MISSING VOICES

There are around 4.5 million UK households whose financial situations are dire but who receive relatively little policy or media attention. Of these ‘missing voices’, households that have no earners and are in receipt of Universal Credit are in the worst financial situation by far.

In the third part of this report, we consider four groups that have been badly affected financially by the pandemic but to date have received relatively little policy or media attention:

- Householders with a disability or health problem that limited their day-to-day activities a lot¹³
- Single parents
- Households receiving Universal Credit, and
- Households receiving Universal Credit that had no earners (which we refer to as workless households on Universal Credit).

These four groups are by no means mutually exclusive and households in more than one of these groups is likely to be faring even worse. For example, 24% of respondents in households on Universal Credit reported a disability that limited their daily activities a lot (rising to 41% of those in workless households), as did 11% of single parents (Appendix Table 17). We estimate that around 4.5 million UK households fall into one of these four groups, equal to around one in five of all non-retired households.

While households on Universal Credit benefitted temporarily from a £20 per week uplift during the pandemic (which ended in October 2021)¹⁴, our data shows this was not sufficient to stave off a significant deterioration in their financial situations. At the same time, most single parent households (82%) and those with a disabled householder (86%) were not receiving Universal Credit in February 2020¹⁵ and received no extra financial help from government despite rising living costs.

The following sections look at the financial resilience of these groups going into the pandemic; how their financial situations changed over the last 18 months; how that played out in terms of their financial wellbeing and future prospects; and whether they sought money advice. Finally, we consider whether recent policies are likely to improve the financial situations of these four groups.

These households already had low financial resilience

Heading into the pandemic, these four groups of households already had low financial resilience which meant it would be challenging for them to withstand any financial or economic shock without help.



Household income: Households in these four groups were disproportionately living on low incomes in February 2020 compared to working age households generally (14%). Twice as many single parent households (28%), two and a half times as many households with a disabled householder (37%), and more than three times as many households

¹³ This is based on survey respondents who said they had a health problem or disability that limited their day-to-day activities a lot. There will have been other households where respondents’ partners and/or children had health problems or disabilities, but the survey did not capture this information.

¹⁴ The policy to freeze the rate at which most working age benefits (including Universal Credit) were paid also came to an end in April 2020 after five years. Even so, the real value of basic out-of-work support in 2019-20 was still lower than in 1991-92, according to research by [the Resolution Foundation](#).

¹⁵ They may have been in receipt of other benefits and tax credits.

receiving Universal Credit (46%, rising to 64% of workless households receiving it)¹⁶ had gross household incomes less than £15,000 per year (Appendix Table 17).



Work and benefits: While 12% of non-retired households who were surveyed in October 2021 were receiving any out-of-work benefits before the pandemic in February 2020, the figure was far higher for our four groups: 32% for single parent households; 42% for households with a disabled householder; and 59% for households receiving Universal Credit, rising to 78% of workless households receiving it¹⁷ (Appendix Table 17).



Savings and assets: Substantial minorities of single parent households (20%), those with a disabled householder (28%) and households receiving Universal Credit (38%, rising to 47% of workless households receiving it) came into the pandemic with no money in savings to act as a financial buffer against economic shocks and still had none in October 2021, compared to non-retired households generally (14%) (Appendix Table 15). They were also much more likely to be renters than homeowners (Appendix Table 17).

Most saw their financial situations deteriorate over the last 18 months

Over the course of the pandemic, these four groups of households fared particularly badly financially, which will have further undermined their financial resilience to cope with future economic turbulence or life events. Using our composite score of financial change¹⁸, we find that:

- Half of single parent households (50%),
- Six in ten of those with a disabled householder (59%), and
- Seven in ten households receiving Universal Credit (68%, rising to 75% of workless households receiving it) had seen their financial situations get worse in the past 18 months, compared to 42% of non-retired UK households generally.

Most of the rest of households in these groups had seen their financial situations stay about the same, while a minority had seen any improvement (Appendix Table 16).

What explains the marked financial deterioration among these households? Notably, most households in these four groups reported that the pandemic did not result in a drop in their household income. They were however more likely to have experienced big shifts in their spending patterns caused entirely by negative reasons, either having to spend more because prices had gone up and/or having to cut back on essential spending because money was short (Appendix Table 16).

Moreover, any financial buffer they had coming into the pandemic would have been gradually depleted over the past 18 months; and they were more likely to have needed to borrow for essentials than the average UK household, meaning their debt repayments would have been increasing. For example, households receiving Universal Credit were twice as likely to have used consumer credit for food and

¹⁶ This reflects the eligibility criteria for Universal Credit.

¹⁷ This indicates that the 41% of households receiving Universal Credit in October 2021 who were *not* receiving it in February 2020 were relatively new claimants; this is also the case for the 22% of workless households receiving Universal Credit in October 2021 but not February 2020.

¹⁸ The composite score of financial change is derived from a Principal Components Analysis of three questions covering reported changes in income, in overall financial situation and in the amount held in savings over the 18 months to date of the pandemic.





expenses in the past four weeks (35%, compared with 16% of UK non-retired households) (Appendix Table 15).

As a result, their current financial wellbeing was low and unlikely to improve in the short-term

In October 2021 the financial wellbeing of non-retired UK households was generally good, with most either *financially secure* (32%) or managing but *potentially exposed financially* (38%).



As Table 4 shows, this picture was almost reversed among our four groups of badly affected households. Over half of single parent households (54%) and those with a disabled householder (57%) were either *struggling to make ends meet* or already *in serious financial difficulty*, rising to eight in ten workless households receiving Universal Credit (80%) (Appendix Table 15).

Table 4 – the current financial wellbeing of badly affected UK households

	 Financially secure	 Potentially exposed financially	 Struggling to make ends meet	 In serious financial difficulty
All non-retired UK households	32%	38%	18%	12%
Single parent households	11%	35%	31%	23%
Households with a disabled householder	16%	27%	28%	29%
Households receiving Universal Credit	2%	26%	30%	42%
No-earner households receiving Universal Credit	1%	20%	25%	55%

The prospect of financial security or even being able to manage financially also seems a long way off for these four groups of households, as Table 5 shows. While the future financial outlook for UK non-retired households was on balance more positive than negative (good/quite good for 56% and poor/quite poor for 44%), the financial prospects for these four groups of households were pessimistic. For two-thirds of single parent households (65%) and those with a disabled householder (66%) the outlook was poor/quite poor; and this was true of most households receiving Universal Credit (83%) and almost all workless households receiving it (91%) (Appendix Table 15).

Table 5 - The future financial prospects (next three months) of badly affected UK households

						
	Good	Quite Good	NET GOOD	Quite Poor	Poor	NET POOR
All non-retired UK households	19%	37%	56%	24%	20%	44%
Single parent households	5%	29%	34%	30%	35%	65%
Households with a disabled householder	9%	25%	34%	25%	41%	66%
Households receiving Universal Credit	1%	15%	16%	28%	55%	83%
No-earner households receiving Universal Credit	0%	9%	9%	24%	67%	91%

These households were more likely to have sought advice about their financial situation, but did not always get the help they wanted

The poor financial situations of these four groups of households potentially made them a prime audience for independent debt advice. As Table 6 shows, significant numbers of them were struggling to pay for food and/or bills in October 2021. Around half of them had at some point used consumer credit to pay for food and expenses¹⁹, which is a recognised indicator of serious financial stress.²⁰ Between a quarter and a third had borrowed for food and expenses in the last four weeks (Table 6).





Large numbers were already behind with payments on at least one bill or credit commitment – from three in ten households with a disabled householder, up to six in ten workless households receiving Universal Credit. And they were between two and four times more likely than the average working age UK household to be in serious arrears (i.e. they had missed three or more payments on bills or commitments). So while 7% of all working age households had missed three or more payments, this figure was 15% for households with a disabled householder, 20% for single parent households, and 21% for households receiving Universal Credit (rising to 27% of workless households receiving Universal Credit) (Appendix Table 15).

Another marker of serious financial difficulties is falling behind on housing or other priority bills (such as Council Tax or utilities). The figures for workless households receiving Universal Credit were particularly worrying, with 13% behind on their housing payments (c.f. 7% of all working age UK households) and 48% behind on other household bills (c.f. 10% of all households) (Appendix Table 15).

¹⁹ 48% of single parent households; 49% of those with a disabled householder; 55% of households receiving Universal Credit and 55% of workless households receiving Universal Credit had used credit to pay for food and expenses at some point in the past 18 months, compared with 31% of UK non-retired households. They were also much more likely to have used credit in the last four weeks for this purpose.

²⁰ See for example Collard, S., Finney, A., and Davies, S. (2012), [Working households' experiences of debt problems](#).

Table 6 – Signs of serious financial difficulty among badly affected UK households




	 Struggling to pay for food and/or bills	 Used credit for essentials in past 4 weeks	 Housing arrears	 Other arrears
All non-retired UK households	15%	16%	7%	10%
Single parent households	32%	25%	9%	25%
Households with a disabled householder	33%	27%	9%	24%
Households receiving Universal Credit	42%	35%	11%	32%
No-earner households receiving Universal Credit	57%	34%	13%	48%

Consequently, the proportion of these households seeking debt advice was appreciably higher than among non-retired UK households as a whole, as Table 7 below shows (although other badly affected households may have benefitted from help but not sought it).

However, these advice-seeking households were also less likely to say they received all the help they needed than advice-seekers generally (Appendix Table 15), with most saying they only received *some* of the help they needed. The survey did not ask respondents why they felt they did not get all the help they needed. Given their financial situations, one possible explanation is that some badly affected households had negative budgets (i.e. where a debt adviser assesses that a client cannot meet their living costs), leaving them in a difficult position where they could not afford to repay what they owed and might not want to pursue, or be able to afford, personal insolvency (for example, in England and Wales the fee for bankruptcy is £680).²¹

²¹ Matin, J., and Lane, J. (2020), [Negative budgets: A new perspective on poverty and household finances](#). London: Citizens Advice

Table 7 – advice seeking among badly affected UK households

	 Any spoken advice	 Any online advice	 Received all the help needed ²²
All non-retired UK households	6%	9%	40%
Single parent households	19%	18%	26%
Households with a disabled householder	14%	19%	26%
Households receiving Universal Credit	18%	24%	39%
No-earner households receiving Universal Credit	26%	30%	28%

Will recent policy announcements help badly affected households?

Echoing the government’s early response to the pandemic, the primary target of recent policy announcements has been low-income working households, with no support for households not in work. Proposals for additional support also do not offset previous deep cuts. This has implications for the financial wellbeing of households but also their general health and wellbeing.

In response to warnings about a winter ‘cost of living crisis’ in the UK - brought about by factors including low earnings growth, impending tax rises, and above-inflation increases in energy bills and food prices - the 2021 Autumn Budget announced two policies that would benefit low earners. The first was an increase in the national living wage of over 6% (although this would be offset by forecast higher inflation, which could perhaps reach 5%). The second policy brought in changes to Universal Credit²³ which should benefit around two million low-income workers.²⁴ Nonetheless, it is estimated that three-quarters of families on Universal Credit would lose more from the withdrawal of the temporary £20 per week Universal Credit uplift than they gained from the Budget changes.²⁵

The spending review did not offer any support for the 3.5 million people receiving Universal Credit who are not in employment²⁶ (including 1.7 million claimants who are not required to look for work because of their health, disability or caring responsibilities) or for working or non-working legacy benefit claimants.²⁷ As the IFS’s Paul Johnson noted: *“The position of those out of work, especially those without children, remains precarious indeed. No increase in out of work benefits for the childless unemployed for*

²² Asked of advice-seekers only.

²³ These changes mean that Universal Credit recipients who are in work keep more of their earnings, and claimants who benefit from the work allowance gain financially if they increase their hours. [CPAG post-budget and spending review briefing. A briefing for parliamentarians](#). London: CPAG.

²⁴ Johnson, P. (2021), [Autumn Budget and Spending Review 2021](#).

²⁵ Resolution Foundation (2021), [The Boris Budget. Resolution Foundation analysis of Autumn Budget and Spending Review 2021](#).

²⁶ There were [5.8 million people receiving Universal Credit](#) in October 2021, 2.3 million of whom were officially categorised as being in employment (defined as receiving employee earnings during the assessment period which is active on the count date). Therefore 3.5 million were not categorised as being in employment.

²⁷ CPAG (2021), [CPAG post-budget and spending review briefing. A briefing for parliamentarians](#). London: CPAG

half a century leaves their living standards dramatically trailing those of the working majority. The gap between the generosity of the furlough scheme and the meanness of our out of work benefit system could hardly be more stark.”⁴

The £500 million Household Support Fund - announced on 30 September 2021 as both the furlough scheme and temporary Universal Credit uplift ended - is designed to “*support vulnerable households in most need of support this winter*”.²⁸ While welcomed, this is time-limited funding that ceases in March 2022 and cannot make up for the cuts to social security and local government funding over the last decade.⁶ The government’s long-awaited Health and Disability Green Paper, published in July 2021, has also raised major concerns among disability advocacy groups about its focus on making the disability benefits system “*more affordable in the future*”.²⁹

Largely absent in policy making is any recognition of the links between poverty, debt and mental health, despite strong evidence for debt as a significant and independent economic variable which links poverty to poor mental health.³⁰ Particularly relevant for our three groups of badly affected households, there is evidence of a ‘dose-response’ relationship with more debts increasing the risk of a mental health problem further³¹, and subjective stress about debt a stronger predictor of depression than the actual objective amount of debt.³²

²⁸ GOV.UK (2021), [Household Support Fund: final guidance for County Councils and Unitary Authorities in England](#).

²⁹ [DPO Forum response to Health & Disability Green Paper](#) and [Health and Disability Green Paper – a cause for concern](#).

³⁰ T. Richardson, P. Elliott, R. Roberts (2013), The relationship between personal unsecured debt and mental and physical health: A systematic review and meta-analysis. *Clinical psychology review* 33, 1148-1162.

³¹ . Meltzer, P. Bebbington, T. Brugha, M. Farrell, R. Jenkins (2013), The relationship between personal debt and specific common mental disorders. *European journal of public health* 23, 108-113.

³² S. Bridges, R. Disney (2010), Debt and depression. *Journal of health economics* 29, 388-403.

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Table 1 – Financial strain at different levels of current financial wellbeing

	In serious difficulties	Struggling	Exposed	Secure	All
<i>Percentage of households</i>	10	17	35	38	
*Current financial situation					
Is very bad	25	1	0	0	3
Is bad	59	26	4	0	12
Thinking about my financial situation makes me anxious ¹	93	78	50	15	46
*Current struggle to pay for food/expenses					
Agree strongly	45	3	1	0	5
Agree	38	23	2	0	8
*Current ability to pay bills and credit commitments					
Constant struggle to pay bills	79	18	2	0	12
Struggle from time to time to pay bills	20	77	49	2	33
Pay bills without difficulty	0	5	50	98	55
Struggle to pay for food and/or bills	85	20	2	0	13
*Arrears on bills and credit commitments (including payment holidays and reduced payments) now					
Arrears on rent/mortgage	20	7	5	2	5
Arrears other bills	39	17	6	1	9
Arrears on unsecured credit and car finance	33	18	8	2	10
Any arrears now	55	30	14	4	17
1	15	15	8	3	8
2	11	6	3	1	3
3+	29	9	3	0	6
Payment holidays (ever)					
Payment holiday on mortgage	7	6	4	1	4
Payment holiday on rent	13	9	6	1	5
Payment holiday on other bills	19	10	3	1	5
Payment holiday on unsecured credit and car finance	24	15	7	1	8
Any payment holiday (ever)	42	27	13	2	14
1	21	14	8	2	8
2	9	7	3	0	3
3+	12	6	2	0	3
Payment holidays (now)					
Payment holiday on mortgage	2	1	1	0	1
Payment holiday on rent	4	3	1	0	1
Payment holiday on other bills	11	5	2	0	3
Payment holiday on unsecured credit and car finance	12	8	3	0	4
Any payment holiday now	22	13	6	0	6
1	12	9	4	0	4
2	5	2	1	0	1
3+	5	2	1	0	1
Credit card repayments					
Missed last payment on at least one card	16	7	4	0	4
Minimum payment on at least one card	31	22	11	2	11

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at p<.05 (chisq).

¹ All agreeing/agreeing strongly.

* Included in the financial wellbeing score that was used to create the categorisation of households used in this and other tables.

Table 2a – Change in economic circumstances by levels of current financial wellbeing

	In serious difficulties	Struggling	Exposed	Secure	All
<i>Percentage of households</i>	10	17	35	38	
Change in overall finances since the start of the pandemic					
A lot better	0	1	3	8	4
A little better	3	8	16	22	16
About the same	19	36	48	57	46
A little worse	33	41	28	11	24
A lot worse	45	14	5	1	9
Change in income since the pandemic					
Decreased by one third or more	28	11	6	4	8
Decreased by less than a third	22	21	15	8	14
Stable	40	53	55	60	55
Increased by less than a third	6	12	20	23	19
Increased by one third or more	4	4	4	5	4
Change in savings since the pandemic					
Increased a lot	2	1	3	12	6
Increased a little	2	4	16	34	19
About the same	7	21	34	37	30
Decreased a little	5	18	27	14	18
Decreased a lot	30	28	13	3	14
No savings before the pandemic and still none	54	28	7	0	13
Changed in amount owed on credit cards, loans or overdrafts since the pandemic					
Increased a lot	27	10	3	0	6
Increased a little	19	20	12	3	10
About the same	21	31	36	26	30
Decreased a little	4	8	10	5	7
Decreased a lot	2	4	5	4	4
No money owed before the pandemic and still none owed	26	28	34	61	43
Change in monthly expenditure since the pandemic					
Increased a lot	29	15	10	5	11
Increased a little	28	33	35	30	32
About the same	22	35	40	45	39
Decreased a little	9	12	13	16	14
Decreased a lot	12	5	3	4	5
Increase in spending due to the increased cost of essentials					
Yes, entirely	73	65	60	58	62
Yes, partly	23	31	34	31	31
No, has increased for other reasons	4	4	6	11	7
Fall in spending due to having to cut back to make ends meet					
Yes, entirely	62	37	17	3	19
Yes, partly	26	42	36	9	24
No, has fallen for other reasons	12	21	47	89	58
Whether spending changed, and why?					
Changed a lot, entirely for negative reasons	31	13	7	2	9
Change a little, entirely for negative reasons	30	29	26	20	24
Changed a little, partially for negative reasons	10	15	17	11	13
No change	25	38	43	49	43
Decreased for other reasons	4	5	7	18	11

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.
All results are significant at p<.05 (chisq).

Table 2b – Economic circumstances before the pandemic by levels of current financial wellbeing

	In serious difficulties	Struggling	Exposed	Secure	All
<i>Percentage of households</i>	10	17	35	38	
Gross household income in Feb 2020					
Mean	£21,450	£26,650	£32,450	£36,750	£32,000
Social security benefits received in Feb 2020					
Any benefits before crisis (UC, JSA, ESA, IS)	55	33	16	5	18
WTC	20	13	6	2	7
Respondent work status					
Full time	40	47	52	38	45
Part time	19	17	16	13	15
Students	2	3	4	1	2
Retired	8	14	20	41	26
Unemployed	8	3	2	1	2
Economically inactive	18	12	5	4	7
Partner work status					
Full time	27	37	42	31	35
Part time	8	12	10	11	10
Students	1	2	1	1	1
Retired	4	7	12	30	17
Unemployed	1	1	1	0	1
Economically inactive	9	8	5	4	6
Employment					
Employed (respondent)	63	68	71	55	64
Employed (partner)	37	50	54	44	48
Employed (respondent or partner)	70	76	78	64	71
Number of earners					
0	34	27	26	41	33
1	39	35	31	28	31
2	26	37	43	31	36
Self-employment					
Self-employed (respondent)	13	10	11	9	10
Self-employed (partner)	7	11	9	7	9
Self-employed (respondent or partner)	17	19	17	14	16
Insecure employment (respondent or partner)					
Zero hours	10	8	7	4	6
Agency worker	5	5	4	1	3
Online platform worker (e.g. Uber)	2	3	1	0	1
Temporary contract	3	3	4	3	3
Any insecure employment	17	17	14	8	12
Main income from insecure work	16	12	11	6	10
Secondary income from insecure work	7	10	10	10	10
Both main and secondary income from insecure work	4	5	4	3	3
Work sector (respondent)					
Private	64	56	57	57	58
Public	27	31	32	34	32
Third/voluntary	6	8	8	8	8
Work sector (partner)					
Private	63	58	61	59	60
Public	25	29	30	34	31
Third/voluntary	4	7	6	6	6
Household income in February 2020					
Less than £15,000	41	25	14	6	16
£15,000-£29,999	33	32	27	25	28
£30,000-£44,999	14	25	25	24	24
£45,000-£69,999	9	13	22	24	20
£70,000+	4	5	12	21	13

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at p<.05 (chisq), except for **Partner work status** (Part time and Students), **Self-employment** (Self-employed - respondent), **Insecure employment** (Temporary Contract and Secondary income from insecure work), **Work sector (respondent)** (Private and Third/voluntary) and **Work sector (partner)** (Private, Public and Third/voluntary).

Table 2c – Economic circumstances now by levels of current financial wellbeing

	In serious difficulties	Struggling	Exposed	Secure	All
<i>Percentage of households</i>	10	17	35	38	
Gross household income now					
Mean	£21,050	£26,600	£32,650	£36,800	£32,050
Universal Credit					
Yes, still receiving	10	5	2	0	3
Yes, but no longer receiving	4	5	3	1	2
No, not claimed since mid-March 2020	74	76	86	95	87
Respondent work status					
Full time	33	43	50	37	42
Part time (8-29 hours/week)	16	18	12	10	13
Part time (less than 8 hours/week)	2	2	2	1	2
Students	2	2	3	1	2
Retired	8	15	22	45	28
Unemployed	15	5	3	1	4
Economically inactive	18	11	6	4	7
Partner work status					
Full time	29	38	46	33	38
Part time (8-29 hours/week)	7	11	9	9	9
Part time (less than 8 hours/week)	2	2	1	1	1
Students	1	1	1	0	1
Retired	5	7	14	32	19
Unemployed	4	1	1	1	1
Economically inactive	7	8	4	3	4
No partner	43	31	23	20	25
Number of earners (respondent and partner)					
0	39	28	28	44	35
1	33	31	25	22	26
2	28	41	47	35	40
Social grade					
A	5	8	11	20	13
B	7	8	16	23	16
C1	23	26	30	29	28
C2	22	26	23	15	20
D	16	16	10	7	10
E	28	16	10	6	11

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.
All results are significant at p<.05 (chisq).

Table 2d – Impact of Covid by levels of current financial wellbeing

	In serious difficulties	Struggling	Exposed	Secure	All
<i>Percentage of households</i>	<i>10</i>	<i>17</i>	<i>35</i>	<i>38</i>	
Income development since March 2020					
Decreased by one third or more	28	11	6	4	8
Decreased by less than a third	22	21	15	8	14
Stable	40	53	55	60	55
Increased by less than a third	6	12	20	23	19
Increased by more than a third	4	4	4	5	4
Current income loss among those ever financially affected by COVID					
Affected with income loss (any size)	30	19	13	6	13
Income loss less than a third	10	12	9	4	8
Income loss of a third or more	19	7	4	2	6
Lost income sources because of the COVID-19 crisis (since March 2020)					
Temporarily laid off work, not receiving salary (IP and/or partner)	4	3	3	1	2
Lost job, now unemployed (IP and/or partner)	13	12	9	4	8
Lost income including furloughed (IP and/or partner)	23	20	19	9	16
Temporarily ceased trading (IP and/or partner)	5	6	5	3	4
Permanently ceased trading (IP and/or partner)	3	4	3	1	2
Still trading but income has fallen (IP and/or partner)	8	10	7	5	7
Any of these	45	40	36	20	31
Lost income sources because of the COVID-19 crisis (currently)					
Temporarily laid off work, not receiving salary (IP and/or partner)	2	2	1	0	1
Lost job, now unemployed (IP and/or partner)	8	5	4	2	4
Lost income including furloughed (IP and/or partner)	15	11	7	3	7
Temporarily ceased trading (IP and/or partner)	2	2	2	1	1
Permanently ceased trading (IP and/or partner)	3	3	2	1	2
Still trading but income has fallen (IP and/or partner)	10	8	7	3	6
Any of these	33	25	19	9	18
Months household income reduced due to Covid					
0	56	63	68	82	71
1-2	2	3	3	2	2
3-5	3	6	6	4	5
6-11	8	10	11	5	8
12-17	11	8	7	4	6
18	19	11	6	4	7
Universal Credit claims since March 2020 (respondent or partner)					
Yes, still receiving	10	5	2	0	3
Yes, no longer receiving	4	5	3	1	2
No, not claimed	74	76	86	95	87
Government support					
Fully furloughed in September 2021	6	5	4	2	3
Partially furloughed in September 2021	4	4	4	1	3
Previously furloughed	15	18	19	12	16
Received SEISS grant recently	15	16	14	9	13
Previously received SEISS	15	17	20	17	18

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770
All results are significant at p<.05 (chisq).

Table 3 – Strategies to make ends meet at different levels of current financial wellbeing

	In serious difficulties	Struggling	Exposed	Secure	All
<i>Percentage of households</i>	10	17	35	38	
Use of savings to make ends meet, since Feb 2020					
Didn't have any savings	63	34	11	1	16
Have used savings last four weeks to make ends meet	22	27	18	7	15
Have used savings but not in last four weeks	14	29	33	11	22
Have savings but did not use any of them	1	10	39	81	47
Use of credit to make ends meet, since Feb 2020					
Have used credit for food and other expenses last four weeks	52	30	9	1	14
Have used credit but not in last four weeks	23	29	16	2	13
Received help from family and friends					
Yes, within last four weeks	34	11	3	0	6
Yes, but not within last four weeks	25	24	11	2	11
Used savings, credit or money from family or friends in last four weeks					
One of these	37	31	19	7	18
Two of these	25	13	4	0	6
All three	6	3	1	0	1
Advice/help sought about financial situation					
Citizens Advice	9	4	2	0	2
Dept for Work and Pensions	7	4	2	1	2
Free debt advice agency (exc Citizens Advice)	12	6	2	0	3
Fee-charging debt advice company	1	1	0	0	1
Any of these	19	11	5	1	6
Any of these (excluding DWP)	17	9	3	1	5
Online advice/help sought about financial situation					
Citizens Advice online	18	7	5	1	5
Dept for Work and Pensions online	12	5	4	1	4
Free debt advice agency (exc Citizens Advice) online	18	7	3	0	4
Fee-charging debt advice company online	2	1	1	0	1
Any of these (excluding DWP)	26	11	6	1	7
Received the help or information needed as a result of seeking advice¹					
Using online advice (excluding DWP)	21	35	53	88	38
Using spoken advice (excluding DWP)	20	41	56	67	41
Using online and spoken advice (excluding DWP)	33	44	40	38	38
Any of these (excluding DWP)	25	40	50	68	41
Requested details of sources of money advice for people in financial difficulties					
All who requested details	24	18	8	3	9
All who requested details and had not already sought advice	17	13	7	3	7

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770

All results are significant at p<.05 (chisq), except **Received the help or information needed as a result of seeking advice** (Using spoken advice (excluding DWP) and Using online and spoken advice (excluding DWP)).

¹ Asked only of those who had sought advice via that channel (online or spoken or either).

Table 4 - Financial resilience at different levels of current financial wellbeing

	In serious difficulties	Struggling	Exposed	Secure	All
<i>Percentage of households</i>	10	17	35	38	
*How much of a large unexpected expense could be covered? **					
None of it	82	41	9	1	18
Some of it	15	51	56	6	32
All of it	4	7	35	93	49
*Ability to make ends meet if income were to fall (has fallen) by a third or more					
Income has increased, remained stable or fallen by less than one third	68	86	90	91	87
Could not cope ¹	65	29	10	1	14
Could cope up to month without borrowing ¹	22	30	8	0	9
Could cope between 1 and 3 months without borrowing ¹	9	27	35	1	18
Could cope for longer than 3 months without borrowing ¹	4	14	48	97	59
Income has fallen by one third or more	28	11	6	4	8
Could not cope ²	56	20	1	0	24
Could cope up to one month without borrowing ²	30	19	4	0	16
Could cope between 1 and 3 months without borrowing ²	13	26	16	1	15
Could cope for longer than 3 months without borrowing ²	1	35	79	99	46
*Amount currently held in savings					
No savings	86	52	11	0	21
One month's current income or less	10	25	17	0	11
One to three month's current income	3	12	31	6	16
Three to six month's current income	1	5	19	12	12
Six to twelve month's current income	0	4	12	15	11
Twelve or more month's current income	0	1	11	66	29

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at p<.05 (chisq).

¹ Base: all whose income has increased, remained stable or fallen by less than one third. N = 5309

² Base: all whose income has fallen by one third or more. N = 463

*Included in the financial wellbeing score that was used to create the categorisation of households used in this and other tables.

** Unexpected expense corresponding to 1 month's income.

Table 5 – Future prospects at different levels of financial wellbeing

	In serious difficulties	Struggling	Exposed	Secure	All
<i>Percentage of households</i>	10	17	35	38	
Likelihood of an income fall next three months					
Very likely	16	10	6	4	7
Quite likely	14	15	12	5	10
Neutral	21	19	12	7	12
Not very likely	14	20	23	15	18
Unlikely	35	36	47	70	52
How confident about the financial situation next three months					
Not at all confident	32	6	1	0	5
Not very confident	42	30	13	2	15
Neutral	19	41	30	6	22
Quite confident	6	21	48	52	41
Very confident	1	2	8	39	18
Ability to pay bills and credit commitments next three months					
Will be a constant struggle	70	16	2	0	10
Will be a struggle from time to time	29	77	54	8	38
Will be done without any difficulty	1	7	44	92	52
More difficult to pay bills/debt commitments next three months ¹	4	7	12	6	8
Earning loss very likely next three months ²					
Will be temporarily laid off with no pay, but expect to return to work	3	2	1	0	1
Will permanently lose job/be made redundant	5	3	2	1	2
Will still be employed, but wages will fall (including being furloughed)	7	3	2	1	2
My/their business will temporarily cease trading, but expect to restart	2	1	1	1	1
My/their business will permanently cease trading	2	2	1	1	1
My/their business will still be trading, but income will fall	6	4	3	1	3
Outlook for household financial situation over next three months ³					
Poor	95	42	2	0	17
Quite poor	5	53	35	0	22
Quite good	1	4	63	35	36
Good	0	0	1	65	25

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at p<.05 (chisq).

¹ Calculated from replies to current ability to pay bills on Table 1 and ability to pay bills in next three months (above).

² All answering very or quite likely.

³ Calculated from a Principal Components Analysis of questions: likelihood of income fall, confidence in financial situation in next three months and ability to pay bills in next three months (above) and ability to meet unexpected expense, how long could cope without borrowing if faced income fall and number of months savings (in Table 4).

Table 6 – Demographics at different levels of current financial wellbeing

	In serious difficulties	Struggling	Exposed	Secure	All
<i>Percentage of households</i>	10	17	35	38	
Nation					
England	80	83	83	86	84
Wales	6	5	5	4	5
Scotland	11	9	9	8	9
Northern Ireland	2	3	3	2	3
Family types					
Single	27	20	21	17	20
Couple	13	16	20	24	20
Single parents	13	11	6	2	6
Single parents with adult children only	22	27	23	13	20
Couples with children	14	11	9	8	9
Couples with adult children only	9	13	21	35	24
Family with dependent children	36	39	29	15	26
Age					
Under 30	9	12	12	5	9
30-39	28	26	23	13	20
40-49	25	23	19	12	18
50-59	19	17	15	16	16
60-69	14	14	19	29	21
70 or over	4	9	12	25	15
Disability					
Limited a lot	27	18	8	6	11
Limited a little	21	23	18	18	19
Housing tenure					
Outright owner	11	17	27	61	37
Mortgagor	24	32	41	25	32
Private tenant	27	25	18	9	17
Social tenant	31	21	10	3	11
Other	6	5	4	2	4
Urban/rural					
City	78	76	75	72	74
Town and surroundings	8	11	10	11	10
Rural	10	9	11	14	12
UK regions that were statistically significant					
South East of England	13	11	12	15	13
Education level					
Degree (or equivalent) and above	28	33	44	52	44
A level or equivalent	24	18	16	14	17
GCSE or equivalent	16	17	16	13	15
Other (mainly professional) qualifications	22	23	18	17	19
No qualifications	10	8	6	4	6

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at $p < .05$ (chisq), except for **Nation** (Wales and Northern Ireland), **Urban/rural** (Town and surroundings) and regions that have been excluded.

Table 7 – Work sector in February 2020 by different levels of current financial wellbeing

	In serious difficulties	Struggling	Exposed	Secure	All
Respondent or partner					
Agriculture, forestry, and fishing	1	1	1	1	1
Manufacturing	6	9	8	6	7
Electricity, gas, steam and air conditioning supply	1	4	3	1	2
Water supply (e.g. sewerage, waste management and remediation activities etc.)	0	2	1	1	1
Construction	7	9	8	7	8
Wholesale and retail	21	15	12	11	13
Repair of motor vehicles/ motorcycles	2	2	1	1	1
Transportation and storage	8	6	7	6	6
Accommodation or food service	7	4	5	3	4
Information and communication	4	4	5	7	6
Finance and insurance	4	6	8	11	8
Real estate	1	1	1	2	1
Professional, scientific or technical	4	6	8	10	8
Administrative services	3	4	4	4	4
Public administration and defence	4	5	5	8	6
Education	12	15	18	20	18
Human health & social work	14	14	15	16	15
Arts, entertainment & recreation	8	6	6	5	6
Other service activities (e.g. member in a professional organisation, repairing	1	3	3	2	2
Other household employment (e.g. tutor, babysitter etc.)	2	2	1	0	1
Other ¹	27	30	26	23	26

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,763. Respondents removed who had selected an excessive number of different industries.

Significance testing using chi-square conducted for whole table, rather than for individual industries. All results are significant at p<.05 (chisq).

¹'Other' also includes classifications with fewer than 20 respondents.

Table 8 – Payment holidays/missed payments by different levels of current financial wellbeing

	In serious difficulties	Struggling	Exposed	Secure	All
<i>Percentage of households</i>	10	17	35	38	
*Arrears on bills and credit commitments (including payment holidays and reduced payments) now					
Mortgage loan	8	5	4	1	3
Personal loan from a bank or building society	10	6	3	1	3
Credit card or store card	16	7	4	0	4
Credit from a retailer/hire purchase	7	3	1	0	2
Goods bought on credit from a mail order catalogue/online	11	5	2	0	3
Loan from a payday lender	5	3	1	0	1
Loan from home-collected credit company	3	2	0	0	1
Car finance / car leasing	4	3	2	1	2
Rent	12	3	1	0	2
Electricity	18	5	1	0	3
Gas	16	5	1	0	3
Water	19	6	1	0	3
Council tax	23	7	3	0	5
Phone, broadband	6	1	1	0	1
TV licence	9	3	0	0	2
<i>Any of these</i>	55	30	14	4	17
Payment holidays now					
Mortgage loan	2	1	1	0	1
Personal loan from a bank or building society	3	2	1	0	1
Credit card or store card	9	4	2	0	2
Credit from a retailer/hire purchase	2	1	0	0	1
Goods bought on credit from a mail order catalogue/online	2	1	1	0	1
Loan from a payday lender	1	1	1	0	1
Loan from home-collected credit company	1	1	0	0	0
Car finance / car leasing	1	0	0	0	0
Rent	2	1	0	0	1
Electricity	3	1	0	0	1
Gas	3	2	0	0	1
Water	5	1	0	0	1
Council tax	8	3	1	0	2
<i>Any of these</i>	23	13	5	1	7
Payment holidays (since Feb 2020)					
Mortgage loan	7	6	4	1	4
Personal loan from a bank or building society	7	6	2	1	3
Credit card or store card	16	9	4	0	5
Credit from a retailer/hire purchase	4	3	1	0	1
Goods bought on credit from a mail order catalogue/online	5	3	1	0	2
Loan from a payday lender	3	2	1	0	1
Loan from home-collected credit company	1	2	0	0	1
Car finance / car leasing	3	2	1	0	1
Rent	6	3	1	0	2
Electricity	7	4	1	0	2
Gas	6	4	1	0	2
Water	7	4	1	0	2
Council tax	14	7	2	1	4
<i>Any of these</i>	37	24	12	2	13

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.
 All results are significant at p<.05 (chisq) except **Payment holidays now** (Car finance / car leasing).

Table 9 – Financial strain by financial change score

	A lot worse – under 25	A little worse –25-40	About the same – 40-60	A little better – 60-75	A lot better – 75 or more	All
<i>Percentage of households</i>	17	21	40	15	6	100
*Current financial situation						
Is very bad	12	2	0	0	0	3
Is bad	34	19	4	2	1	12
Thinking about my financial situation makes me anxious ¹	79	67	32	26	23	46
*Current struggle to pay for food/expenses						
Agree strongly	20	5	1	1	2	5
Agree	20	13	4	2	2	8
*Current ability to pay bills and credit commitments						
Constant struggle to pay bills	33	17	4	3	1	12
Struggle from time to time to pay bills	48	53	27	15	8	33
Pay bills without difficulty	19	30	69	82	91	55
Struggle to pay for food or bills	37	18	5	3	2	13
*Arrears on bills and credit commitments (including payment holidays and reduced payments) now						
Arrears on rent/mortgage	11	5	4	5	3	5
Arrears other bills	19	12	5	5	4	9
Arrears on unsecured credit and car finance	17	11	8	7	4	10
Any arrears now	31	21	12	11	7	17
1	10	11	7	5	4	8
2	7	4	2	3	1	3
3+	14	6	3	3	2	6
Payment holidays (ever)						
Payment holiday on mortgage	6	4	3	3	3	4
Payment holiday on rent	9	7	4	4	5	5
Payment holiday on other bills	10	8	3	3	3	5
Payment holiday on unsecured credit and car finance	14	10	5	5	6	8
Any payment holiday (ever)						
1	13	12	5	5	4	8
2	6	4	2	2	2	3
3+	6	4	2	2	3	3
Payment holidays (now)						
Payment holiday on mortgage	2	1	0	1	0	1
Payment holiday on rent	3	1	1	1	1	1
Payment holiday on other bills	5	4	2	2	1	3
Payment holiday on unsecured credit and car finance	7	4	3	3	2	4
Any payment holiday now						
1	7	6	3	3	1	4
2	3	1	1	1	1	1
3+	3	1	1	1	1	1

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at p<.05 (chisq).

¹ All agreeing/agreeing strongly.

* Included in the financial wellbeing score that was used to create the categorisation of households used in this and other tables.

Table 9 (Continued) – Financial strain by financial change score

	A lot worse – under 25	A little worse –25-40	About the same – 40-60	A little better – 60-75	A lot better – 75 or more	All
<i>Percentage of households</i>	17	21	40	15	6	100
Repayment agreements						
Reached agreement on mortgage	4	3	2	2	3	3
Reached agreement on rent	5	4	2	2	4	3
Reached agreement on other bills	4	4	1	2	2	2
Reached agreement on unsecured credit and card finance	8	5	4	4	4	5
Any repayment agreement						
1	10	10	5	6	5	7
2	3	2	1	1	1	1
3+	1	1	0	0	1	1
Credit card repayments						
Missed last payment on at least one card	8	5	4	3	1	4
Minimum payment on at least one card	21	15	8	8	5	11

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.
All results are significant at p<.05 (chisq).

Table 10a – Change in economic circumstances by financial change score

	A lot worse – under 25	A little worse –25-40	About the same – 40-60	A little better – 60-75	A lot better – 75 or more	All
<i>Percentage of households</i>	17	21	40	15	6	100
Change in overall situation since the start of the pandemic						
A lot better	0	0	0	2	71	4
A little better	0	0	5	76	29	16
About the same	0	30	91	22	0	46
A little worse	50	67	4	0	0	24
A lot worse	50	3	0	0	0	9
Change in income since the pandemic						
Decreased by one third or more	39	5	1	0	0	8
Decreased by less than a third	47	13	6	2	2	14
Stable	11	72	76	39	13	55
Increased by less than a third	2	7	15	52	43	19
Increased by one third or more	0	3	1	6	42	4
Change in savings since the pandemic						
Increased a lot	1	1	1	13	57	6
Increased a little	1	4	19	59	26	19
About the same	3	16	56	20	14	30
Decreased a little	25	26	18	6	2	18
Decreased a lot	46	22	2	1	0	14
No savings before the pandemic and still none	25	31	4	2	1	13
Changed in amount owed on credit cards, loans or overdrafts since the pandemic						
Increased a lot	19	7	1	2	3	6
Increased a little	17	17	6	6	7	10
About the same	21	28	38	24	18	30
Decreased a little	4	6	6	14	8	7
Decreased a lot	2	2	3	8	17	4
No money owed before the pandemic and still none owed	36	40	45	46	47	43
Change in monthly expenditure since the pandemic						
Increased a lot	25	16	4	4	16	11
Increased a little	29	38	28	38	30	32
About the same	14	31	58	37	25	39
Decreased a little	16	13	10	19	18	14
Decreased a lot	15	3	1	2	12	5
Increase in spending due to the increased cost of essentials						
Yes, entirely	70	69	62	47	36	62
Yes, partly	26	27	31	40	40	31
No, has increased for other reasons	3	4	6	13	24	7
Fall in spending due to having to cut back to make ends meet						
Yes, entirely	45	17	7	4	1	19
Yes, partly	37	44	16	6	2	24
No, has fallen for other reasons	18	40	76	89	97	58
Whether spending changed, and why?						
Changed a lot, entirely for negative reasons	27	12	3	1	4	9
Change a little, entirely for negative reasons	35	32	19	21	18	24
Changed a little, partially for negative reasons	15	16	11	16	12	13
No change	17	33	60	43	37	43
Decreased for other reasons	7	7	8	19	29	11

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.
All results are significant at p<.05 (chisq).

Table 10b – Economic circumstances before the pandemic by financial change score

	A lot worse – under 25	A little worse -25-40	About the same – 40-60	A little better – 60-75	A lot better – 75 or more	All
<i>Percentage of households</i>	17	21	40	15	6	100
Social security benefits received in Feb 2020						
Any benefits before crisis (UC, JSA, ESA, IS)	16	15	7	5	6	10
WTC	5	3	2	2	3	3
Respondent work status						
Full time	47	41	39	56	58	45
Part time	20	16	14	13	12	15
Students	2	2	2	3	6	2
Retired	11	23	36	22	18	26
Unemployed	4	4	1	1	2	2
Economically inactive	10	11	6	4	4	7
Partner work status						
Full time	35	32	33	43	45	35
Part time	11	10	11	10	9	10
Students	1	1	1	1	4	1
Retired	8	13	23	16	13	17
Unemployed	1	1	1	1	1	1
Economically inactive	7	7	5	4	4	6
Employment						
Employed (respondent)	72	61	56	72	74	64
Employed (partner)	48	44	45	55	57	48
Employed (respondent or partner)	81	69	65	79	80	71
Number of earners						
0	24	35	39	25	25	33
1	41	32	28	31	30	31
2	35	33	33	44	46	36
Self-employment						
Self-employed (respondent)	19	9	8	10	10	10
Self-employed (partner)	12	9	8	7	9	9
Self-employed (respondent or partner)	26	15	13	16	15	16
Insecure employment (respondent or partner)						
Zero hours	10	6	5	6	5	6
Agency worker	5	2	3	4	5	3
Online platform worker (e.g. Uber)	1	2	1	1	1	1
Temporary contract	4	3	2	3	6	3
Any insecure employment	19	12	10	12	14	12
Main income from insecure work	19	8	8	8	10	10
Secondary income from insecure work	11	9	9	11	9	10
Both main and secondary income from insecure work	7	3	2	3	3	3
Work sector (respondent)						
Private	65	55	54	56	65	58
Public	24	35	35	34	28	32
Third/voluntary	9	8	8	7	6	8
Work sector (partner)						
Private	68	58	58	57	68	60
Public	23	31	33	35	26	31
Third/voluntary	5	7	6	6	6	6
Household income in February 2020						
Less than £15,000	26	25	12	6	7	16
£15,000-£29,999	28	29	31	22	19	28
£30,000-£44,999	21	21	26	26	21	24
£45,000-£69,999	16	17	20	25	28	20
£70,000+	10	8	12	22	26	13

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at p<.05 (chisq), except **Partner work status** (Part time in February and Unemployed), **Insecure employment (respondent or partner)** (Online platform worker Secondary income), **Work sector (respondent)** (Third/voluntary), and **Work sector (partner)** (Third/voluntary).

Table 10c – Economic circumstances now by financial change score

	A lot worse – under 25	A little worse -25-40	About the same – 40-60	A little better – 60-75	A lot better – 75 or more	All
<i>Percentage of households</i>	17	21	40	15	6	100
Universal Credit						
Yes, still receiving	7	3	2	1	2	3
Yes, but no longer receiving	4	2	2	2	4	2
No, not claimed since mid-March 2020	78	86	89	91	89	87
Respondent work status						
Full time	34	39	37	60	68	42
Part time (8-29 hours/week)	17	14	11	11	7	13
Part time (less than 8 hours/week)	3	2	1	1	1	2
Students	3	2	2	1	1	2
Retired	15	24	39	24	20	28
Unemployed	10	5	2	0	0	4
Economically inactive	13	11	6	3	2	7
Partner work status						
Full time	33	33	36	50	54	38
Part time (8-29 hours/week)	11	9	9	8	8	9
Part time (less than 8 hours/week)	2	1	1	1	1	1
Students	1	1	1	0	0	1
Retired	9	14	26	17	15	19
Unemployed	3	2	1	1	1	1
Economically inactive	7	6	3	3	2	4
No partner	32	32	22	19	18	25
Number of earners (respondent and partner)						
0	33	37	41	23	19	35
1	33	29	22	22	22	26
2	33	34	37	54	59	40
Social grade						
A	11	10	13	18	18	13
B	12	13	18	20	18	16
C1	24	27	28	31	40	28
C2	24	20	20	18	17	20
D	12	13	10	8	5	10
E	17	16	10	4	2	11

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.
All results are significant at $p < .05$ (chisq).

Table 10d – Impact of Covid by financial change score

	A lot worse – under 25	A little worse -25-40	About the same – 40-60	A little better – 60-75	A lot better – 75 or more	All
<i>Percentage of households</i>	17	21	40	15	6	100
Income development since March 2020						
Decreased by one third or more	39	5	1	0	0	8
Decreased by less than a third	47	13	6	2	2	14
Stable	11	72	76	39	13	55
Increased by less than a third	2	7	15	52	43	19
Increased by more than a third	0	3	1	6	42	4
Current income loss among those ever financially affected by COVID						
Affected with income loss (any size)	55	10	3	1	1	13
Income loss less than a third	27	8	3	1	1	8
Income loss of a third or more	28	3	0	0	0	6
Lost income sources because of the COVID-19 crisis (since March 2020)						
Temporarily laid off work, not receiving salary (IP and/or partner)	4	2	2	1	3	2
Lost job, now unemployed (IP and/or partner)	20	7	4	5	9	8
Lost income including furloughed (IP and/or partner)	23	18	12	15	14	16
Temporarily ceased trading (IP and/or partner)	9	3	3	4	5	4
Permanently ceased trading (IP and/or partner)	4	2	2	2	2	2
Still trading but income has fallen (IP and/or partner)	14	7	4	5	3	7
Any of these	59	34	21	25	26	31
Lost income sources because of the COVID-19 crisis (currently)						
Temporarily laid off work, not receiving salary (IP and/or partner)	2	1	1	1	1	1
Lost job, now unemployed (IP and/or partner)	11	4	2	1	2	4
Lost income including furloughed (IP and/or partner)	18	8	4	3	2	7
Temporarily ceased trading (IP and/or partner)	3	1	1	1	1	1
Permanently ceased trading (IP and/or partner)	3	2	1	2	1	2
Still trading but income has fallen (IP and/or partner)	17	7	3	3	2	6
Any of these	47	19	10	9	7	18
Months household income reduced due to Covid						
0	42	69	81	78	79	71
1-2	2	3	2	2	3	2
3-5	4	5	5	5	8	5
6-11	14	9	5	9	3	8
12-17	13	8	3	4	5	6
18	26	7	3	2	1	7
Universal Credit claims since March 2020 (respondent or partner)						
Yes, still receiving	7	3	2	1	2	3
Yes, no longer receiving	4	2	2	2	4	2
No, not claimed	78	86	89	91	89	87
Government support						
Fully furloughed in September 2021	5	4	3	3	4	3
Partially furloughed in September 2021	4	3	3	3	2	3
Previously furloughed	20	18	12	16	17	16
Received SEISS grant recently	15	12	11	11	16	13
Previously received SEISS	19	19	20	13	10	18

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at p<.05 (chisq), except **Lost income sources because of the COVID-19 crisis (currently)** (Temporarily laid off work, not receiving salary) and **Government Support** (Received SEISS grant recently and Previously received SEISS).

Table 11 – Strategies to make ends meet by financial change score

	A lot worse – under 25	A little worse -25-40	About the same – 40-60	A little better – 60-75	A lot better – 75 or more	All
<i>Percentage of households</i>	17	21	40	15	6	100
Use of savings to make ends meet, since Feb 2020						
Didn't have any savings	25	32	10	5	4	16
Have used savings last four weeks to make ends meet	40	20	7	6	8	15
Have used savings but not in last four weeks	28	27	19	16	17	22
Have savings but did not use any of them	7	21	64	72	71	47
Use of credit to make ends meet, since Feb 2020						
Have used credit for food and other expenses last four weeks	34	20	6	7	6	14
Have used credit but not in last four weeks	21	21	9	8	8	13
Received help from family and friends						
Yes, within last four weeks	17	9	2	2	3	6
Yes, but not within last four weeks	21	14	7	7	7	11
Used savings, credit or money from family or friends in last four weeks						
One of these	38	27	10	9	11	18
Two of these	19	8	2	2	1	6
All three	4	2	0	0	1	1
Advice/help sought about financial situation						
Citizens Advice	6	3	1	1	1	2
Dept for Work and Pensions	7	2	1	0	2	2
Free debt advice agency (exc Citizens Advice)	6	4	2	2	2	3
Fee-charging debt advice company	1	1	0	0	0	1
Any of these	13	7	4	3	4	6
Any of these (excluding DWP)	10	5	3	3	3	5
Online advice/help sought about financial situation						
Citizens Advice online	11	5	3	3	3	5
Dept for Work and Pensions online	11	4	2	2	3	4
Free debt advice agency (exc Citizens Advice) online	10	4	2	3	1	4
Fee-charging debt advice company online	1	1	1	1	1	1
Any of these (excluding DWP)	21	10	5	6	5	9
Received the help or information needed as a result of seeking advice¹						
Using online advice (excluding DWP)	28	39	46	57	75	38
Using spoken advice (excluding DWP)	32	33	47	63	67	41
Using online and spoken advice (excluding DWP)	28	42	44	45	50	38
Any of these (excluding DWP)	28	42	50	55	70	41
Requested details of sources of money advice for people in financial difficulties						
All who requested details	18	10	6	7	6	9
All who requested details and had not already sought advice	14	8	5	5	5	7

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at p<.05 (chisq) except **Advice/help sought about financial situation** (Fee-charging debt advice company) and **Online advice/help sought about financial situation** (Fee-charging debt advice company online) and **Received the help or information needed as a result of seeking advice** (Using online advice, Using spoken advice and Using online and spoken advice).

¹ Asked only of those who had sought advice via that channel (online or spoken or either).

Table 12 – Financial resilience by financial change score

	A lot worse – under 25	A little worse -25-40	About the same – 40-60	A little better – 60-75	A lot better – 75 or more	All
<i>Percentage of households</i>	17	21	40	15	6	100
*How much of a large unexpected expense could be covered? **						
None of it	40	31	10	6	4	18
Some of it	34	40	33	24	20	32
All of it	27	29	57	71	75	49
*Ability to make ends meet if income were to fall (has fallen) by a third or more						
Income has increased, remained stable or fallen by less than one third						
Could not cope ¹	25	24	10	6	6	14
Could cope up to month without borrowing ¹	19	17	6	5	2	9
Could cope between 1 and 3 months without borrowing ¹	23	22	18	13	11	18
Could cope for longer than 3 months without borrowing ¹	34	37	66	77	81	59
Income has fallen by one third or more						
Could not cope ²	26	20	0	0	0	24
Could cope up to one month without borrowing ²	17	7	11	26	0	16
Could cope between 1 and 3 months without borrowing ²	16	13	5	0	0	15
Could cope for longer than 3 months without borrowing ²	42	60	84	74	0	46
*Amount currently held in savings						
No savings	43	38	12	5	2	21
One month's current income or less	14	16	10	8	7	11
One to three month's current income	15	15	16	17	19	16
Three to six month's current income	8	10	13	17	17	12
Six to twelve month's current income	7	7	12	15	12	11
Twelve or more month's current income	13	14	37	40	43	29

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at p<.05 (chisq).

¹ Base: all whose income has increased, remained stable or fallen by less than one third. N = 5,309

² Base: all whose income has fallen by one third or more. N = 463.

*Included in the financial wellbeing score that was used to create the categorisation of households used in this and other tables.

** Unexpected expense corresponding to 1 month's income.

Table 13 – Future prospects by financial change score

	A lot worse – under 25	A little worse -25-40	About the same – 40-60	A little better – 60-75	A lot better – 75 or more	All
<i>Percentage of households</i>	17	21	40	15	6	100
Likelihood of an income fall next three months						
Very likely	19	7	3	4	6	7
Quite likely	18	13	7	6	5	10
Neutral	20	15	11	6	4	12
Not very likely	15	20	18	21	17	18
Unlikely	28	46	60	63	69	52
How confident about the financial situation next three months						
Not at all confident	17	6	1	1	1	5
Not very confident	35	26	7	3	2	15
Neutral	27	32	21	12	3	22
Quite confident	17	32	51	52	42	41
Very confident	4	5	20	33	51	18
Ability to pay bills and credit commitments next three months						
Will be a constant struggle	31	17	3	1	0	10
Will be a struggle from time to time	54	56	33	19	9	38
Will be done without any difficulty	16	27	64	80	91	52
More difficult to pay bills/debt commitments next three months ¹	9	10	9	5	2	8
Earning loss very likely next three months ²						
Will be temporarily laid off with no pay, but expect to return to work	3	1	1	0	2	1
Will permanently lose job/be made redundant	5	2	1	2	2	2
Will still be employed, but wages will fall (including being furloughed)	6	2	1	1	2	2
My/their business will temporarily cease trading, but expect to restart	2	1	0	1	1	1
My/their business will permanently cease trading	3	1	1	1	2	1
My/their business will still be trading, but income will fall	7	3	1	1	2	3
Outlook for household financial situation over next three months ³						
Poor	43	32	7	1	1	17
Quite poor	29	31	20	11	4	22
Quite good	23	28	40	45	51	36
Good	5	8	33	42	45	25

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at p<.05 (chisq).

¹ Calculated from replies to current ability to pay bills on Table 1 and ability to pay bills in next three months (above).

² All answering very or quite likely.

³ Calculated from a Principal Components Analysis of questions: likelihood of income fall, confidence in financial situation in next three months and ability to pay bills in next three months (above) and ability to meet unexpected expense, how long could cope without borrowing if faced income fall and number of months savings (in Table 4).

Table 14 – Demographics by financial change score

	A lot worse – under 25	A little worse –25-40	About the same – 40-60	A little better – 60-75	A lot better – 75 or more	All
<i>Percentage of households</i>	17	21	40	15	6	100
Nation						
England	84	82	84	86	86	84
Wales	5	6	5	4	5	5
Scotland	8	10	9	8	7	9
Northern Ireland	2	3	3	3	3	3
Family types						
Single	21	22	18	20	24	20
Couple	18	18	19	27	25	20
Single parents	9	6	5	4	5	6
Single parents with adult children only	22	20	19	18	22	20
Couples with children	11	12	9	7	4	9
Couples with adult children only	18	20	29	23	19	24
Family with dependent children	31	26	25	23	26	26
Age						
Under 30	8	8	8	12	17	9
30-39	22	20	17	25	26	20
40-49	21	21	16	16	19	18
50-59	21	16	15	16	10	16
60-69	20	21	23	19	16	21
70 or over	7	14	21	13	11	15
Disability						
Limited a lot	17	15	9	5	5	11
Limited a little	22	21	19	15	16	19
Housing tenure						
Outright owner	27	30	45	38	30	37
Mortgagor	30	31	30	36	38	32
Private tenant	20	19	13	17	22	17
Social tenant	16	16	10	6	5	11
Other	6	4	3	2	4	4
Urban/rural						
City	75	75	74	74	73	74
Town and surroundings	10	11	10	10	13	10
Rural	12	11	12	12	11	12
UK regions that were statistically significant						
South West	12	8	10	9	12	10
London	14	12	11	15	15	13
Education level						
Degree (or equivalent) and above	42	38	43	52	57	44
A level or equivalent	18	18	17	14	9	17
GCSE or equivalent	15	17	14	14	13	15
Other (mainly professional) qualifications	19	19	20	17	17	19
No qualifications	6	8	6	4	3	6

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=5,770.

All results are significant at p<.05 (chisq), except for **Nation**, **Family Type** (Couples with children), **Urban/rural** and regions that have been excluded.

Table 15 – Financial situation of the four ‘missing voices’ groups

	Single parents	Disabled	Workless on UC	All on UC	All non-retired
<i>Percentage of non-retired households</i>	7	10	3	7	100
Current financial wellbeing score					
In serious difficulties	23	29	55	42	12
Struggling	31	28	25	30	18
Exposed	35	27	20	26	38
Secure	11	16	1	2	32
Struggle to pay for food and/or bills	32	33	57	42	15
Arrears on bills and credit commitments (including payment holidays and reduced payments) now					
Arrears on rent/mortgage	9	9	13	11	7
Arrears other bills	25	24	48	32	10
Arrears on unsecured credit and car finance	28	21	26	27	12
Any arrears now	39	34	57	46	19
1	11	12	18	15	9
2	8	7	11	10	4
3+	20	15	27	21	7
Use of credit to make ends meet, since Feb 2020					
Have used credit for food and other expenses last four weeks	25	27	34	35	16
Have used credit but not in last four weeks	23	22	21	20	15
Advice/help sought about financial situation					
Any spoken advice (exc. DWP)	19	14	26	18	6
Any online advice (exc. DWP)	18	19	30	24	9
Received the help or information needed as a result of seeking advice¹	26	26	28	39	40
Amount currently held in savings					
No savings	36	45	69	57	24
One month’s current income or less	14	13	13	17	12
One to three month’s current income	16	10	11	13	18
Three to six month’s current income	19	9	3	7	13
Six to twelve month’s current income	8	8	2	4	10
Twelve or more month’s current income	8	16	2	2	23
No savings before the pandemic and still none	20	28	47	38	14
Outlook for household financial situation over next three months²					
Poor	35	41	67	55	20
Quite poor	30	25	24	28	24
Quite good	29	25	9	15	37
Good	5	9	0	1	19

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=4,872 (non-retired households)

¹ Asked only of those who had sought advice either online or spoken.

² Calculated from a Principal Components Analysis of questions: likelihood of income fall, confidence in financial situation in next three months and ability to pay bills in next three months and ability to meet unexpected expense, how long could cope without borrowing if faced income fall and number of months savings.

Table 16 – Impact of Covid by the four ‘missing voices’ groups

	Single parents	Disabled	Workless on UC	All on UC	All non-retired
<i>Percentage of non-retired households</i>	7	10	3	7	100
Financial change score since start of pandemic¹					
A lot worse	27	30	51	44	20
A little worse	23	29	24	24	22
About the same	35	31	23	23	36
A little better	10	7	2	6	16
A lot better	5	3	0	3	6
Months household income reduced due to Covid					
0	64	70	73	53	64
1-2	2	3	0	2	3
3-5	6	5	2	4	6
6-11	10	7	5	10	10
12-17	7	7	4	11	8
18	9	8	16	20	9
Whether spending changed, and why?					
Changed a lot, entirely for negative reasons	15	19	24	22	9
Change a little, entirely for negative reasons	21	25	23	27	25
Changed a little, partially for negative reasons	14	11	12	14	14
No change	39	40	37	34	41
Decreased for other reasons	11	6	3	3	11

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=4,872 (non-retired households)

¹ The composite score of financial change is derived from a Principal Components Analysis of three questions covering reported changes in income, in overall financial situation and in the amount held in savings over the 18 months to date of the pandemic.

Table 17 – Demographics of the four ‘missing voices’ groups

	Single parents	Disabled	Workless on UC	All on UC	All non-retired
<i>Percentage of non-retired households</i>	7	10	3	7	100
Family types					
Single	0	26	40	24	21
Couple	0	17	7	8	21
Single parents	100	7	20	22	7
Single parents with adult children only	0	15	16	9	7
Couples with children	0	14	13	32	24
Couples with adult children only	0	20	2	4	19
Family with dependent children	100	21	33	54	32
Age					
24 or under	9	2	4	5	5
25-34	13	12	19	25	17
35-44	38	18	30	34	24
45-54	28	23	22	21	20
55-64	9	32	22	15	22
65-74	2	12	2	1	10
75 or over	0	1	0	0	1
Disability					
Limited a lot	11	100	41	24	10
Limited a little	23	0	28	25	17
Housing tenure					
Outright owner	12	24	6	6	26
Mortgagor	30	18	5	16	37
Private tenant	24	19	32	32	20
Social tenant	24	32	47	38	12
Other	11	6	10	8	6
Household income in February 2020					
Less than £15,000	28	37	64	46	14
£15,000-£29,999	41	30	25	34	25
£30,000-£44,999	17	18	7	14	24
£45,000-£69,999	8	12	4	6	22
£70,000+	6	3	0	0	15
Social security benefits received in Feb 2020					
Any benefits before crisis (UC, JSA, ESA, IS)	32	42	78	59	12
WTC	15	4	2	8	4

Column percentages. Households. Weighted results. United Kingdom, October 2021. N=4,872 (non-retired households)

Technical note

The survey was undertaken by YouGov between 13-21 October 2021 for the abrdn Financial Fairness Trust and was conducted online. It is the fifth in a series of cross-sectional surveys tracking the financial impact of the coronavirus pandemic on UK households, by asking key questions repeated at several time points. In each wave, these key questions are supplemented by new questions that aim to capture and reflect the evolving situation.

The sample for this report consists of 5,770 respondents randomly recruited from YouGov's online panel. It includes booster samples for Scotland, Wales and Northern Ireland, that have been weighted back to their correct proportions for the tables in this report. The base for analysis is people who are responsible for the household finances. Non-householders who are responsible only for their own personal finances (most of whom were aged under 25 and lived at home with their parents) are not included in the analysis for this report.

The segmentation of households into four categories is based on scores from a principal component analysis of nine survey questions that cover the extent to which households could meet their financial obligations and the resources they had for dealing with an economic shock. These questions are shown in Tables 1 and 4, marked with an asterisk. Those with a score of less than 30 out of 100 were deemed to be in serious financial difficulty; scores of 30-49 were taken as indicative of struggling to make ends meet and scores of 50 to 79 of being potentially exposed financially. Full details of the methodology employed can be found in [Kempson, Finney and Poppe \(2017\) Financial Wellbeing: A Conceptual Model and Preliminary Analysis](#). The estimation of the proportion of households at risk of falling into financial difficulties in the next three months was also based on scores from principal component analysis in the same way. This analysis is based on two questions relating to income shocks experienced or anticipated in the next three months, two questions relating to financial resilience and two questions about expected ability to meet financial obligations over the next three months.

All analysis was tested for statistical significance, and this is reported in the tables on pages 17 to 40. The report itself only covers findings that were found to be statistically significant (at least $p < .05$ chisq), unless otherwise stated.

University of BRISTOL

Personal Finance Research Centre

Authors:

**Sharon Collard, Elaine Kempson and
Jamie Evans**

Sharon Collard is Professor of Personal Finance and Research Director of the Personal Finance Research Centre.

Elaine Kempson is Emeritus Professor of Personal Finance and Social Policy Research at the University of Bristol.

Jamie Evans is a Senior Research Associate at the Personal Finance Research Centre.

Acknowledgements

Our thanks to the team at YouGov, and to the members of their online panel who answered the questions willingly and honestly. We hope that this report accurately reflects the situations they are experiencing.

There are also many people whose input was important to this report. First, thanks to Nick Smith who helped to design the questionnaire, to Christian Poppe who assisted with the data preparation, and to David Collings and Katie Cross who helped prepare this report. Our thanks also to Mubin Haq, Charlotte Morris and the team at abrdn Financial Fairness Trust for their ongoing input, feedback and support. Thank you all of you.

About the Personal Finance Research Centre (PFRC)

PFRC specialises in social research across all areas of personal finance, mainly from the consumer's perspective.

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About abrdn Financial Fairness Trust

abrdn Financial Fairness Trust is an independent charitable foundation supporting strategic work which tackles financial problems and improves living standards. Its focus is improving the lives of people on low-to-middle incomes in the UK.

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