

Ipsos UK Financial Wellbeing Tracker

March 2023

Ipsos UK Financial Wellbeing Tracker February 2023 at a glance

1

Britons' assessments of their financial situations have not changed since September 2022, with one in four saying they are finding it difficult on their household's income.

2

While still half are worried about their finances, this is an improvement since September when two thirds were worried.

3

Economic pessimism has diminished as well, though majorities still expect the economy to worsen.

4

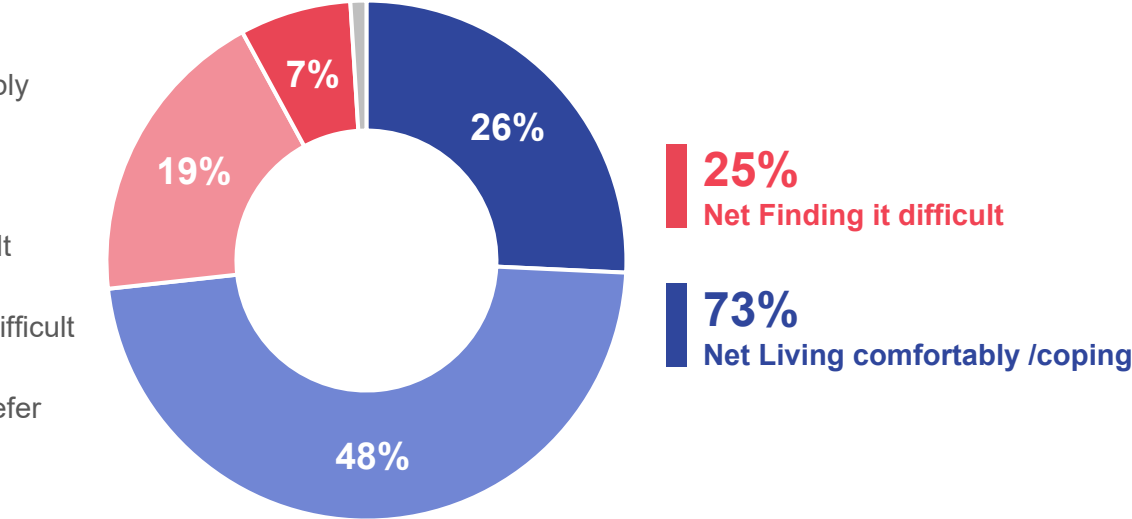
We've identified five conditions based on people's financial situation and outlook.

5

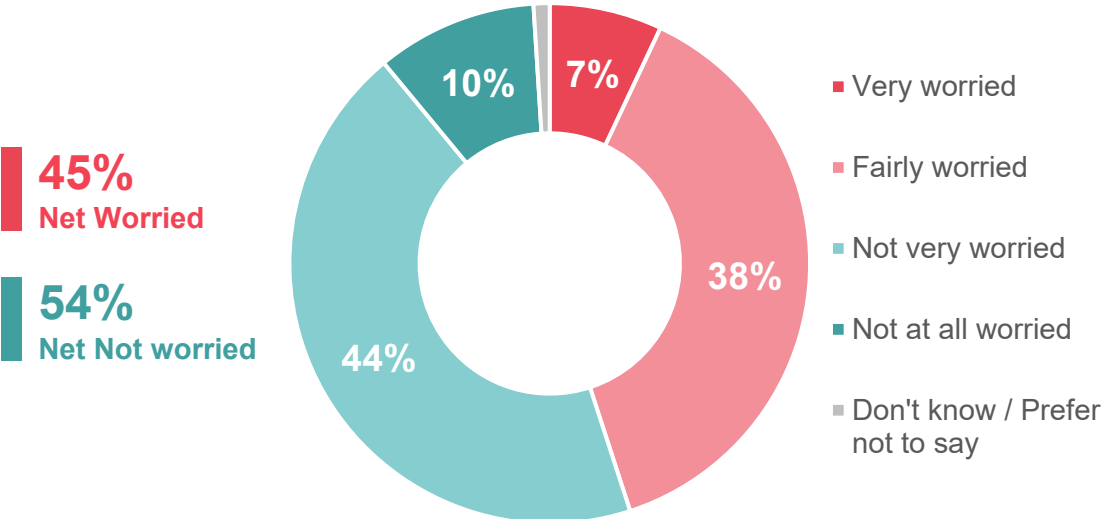
The cost of living crisis is having a clear impact on the wellbeing of those who are most financially vulnerable

One in four Britons say they are finding it difficult on their incomes, while almost half are worried about their household's financial situation

Which of these descriptions comes closest to how you feel about your household's income nowadays?



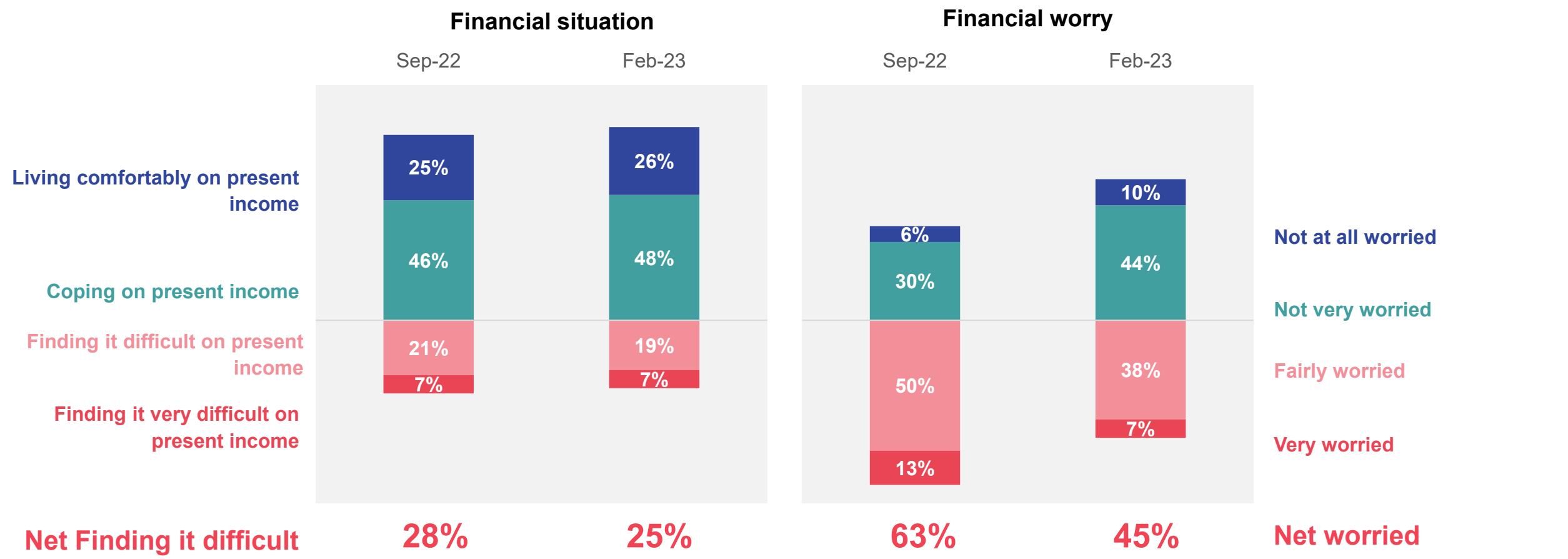
How worried, if at all, are you about you and your household's financial situation?



Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 2-8 February 2023
ECON1. Which of these descriptions comes closest to how you feel about your household's income nowadays? / ECON2. How worried, if at all, are you about you and your household's financial situation?
Base: All adults aged 16+ (6,189)



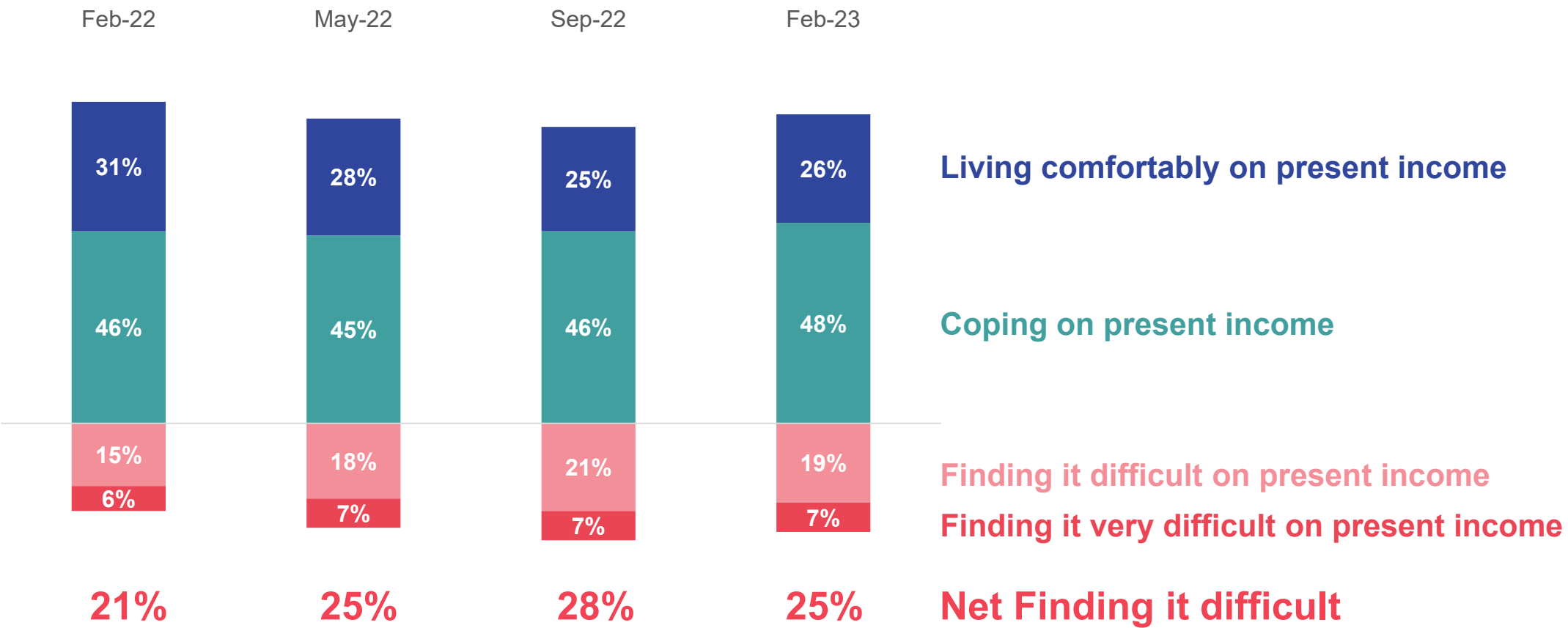
While Britons' financial situations are overall unchanged since September 2022, fewer are now worried about their finances - though almost half are worried



Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 22-28 September 2022, 2-8 February 2023
ECON1. Which of these descriptions comes closest to how you feel about your household's income nowadays? // ECON2. How worried, if at all, are you about you and your household's financial situation?
Base: All adults aged 16+ in UK (September 2022 n= 5,983, February 2023 n=6,189)



One in four Britons say they are finding it difficult on their current incomes, with a small but consistent group finding it very difficult

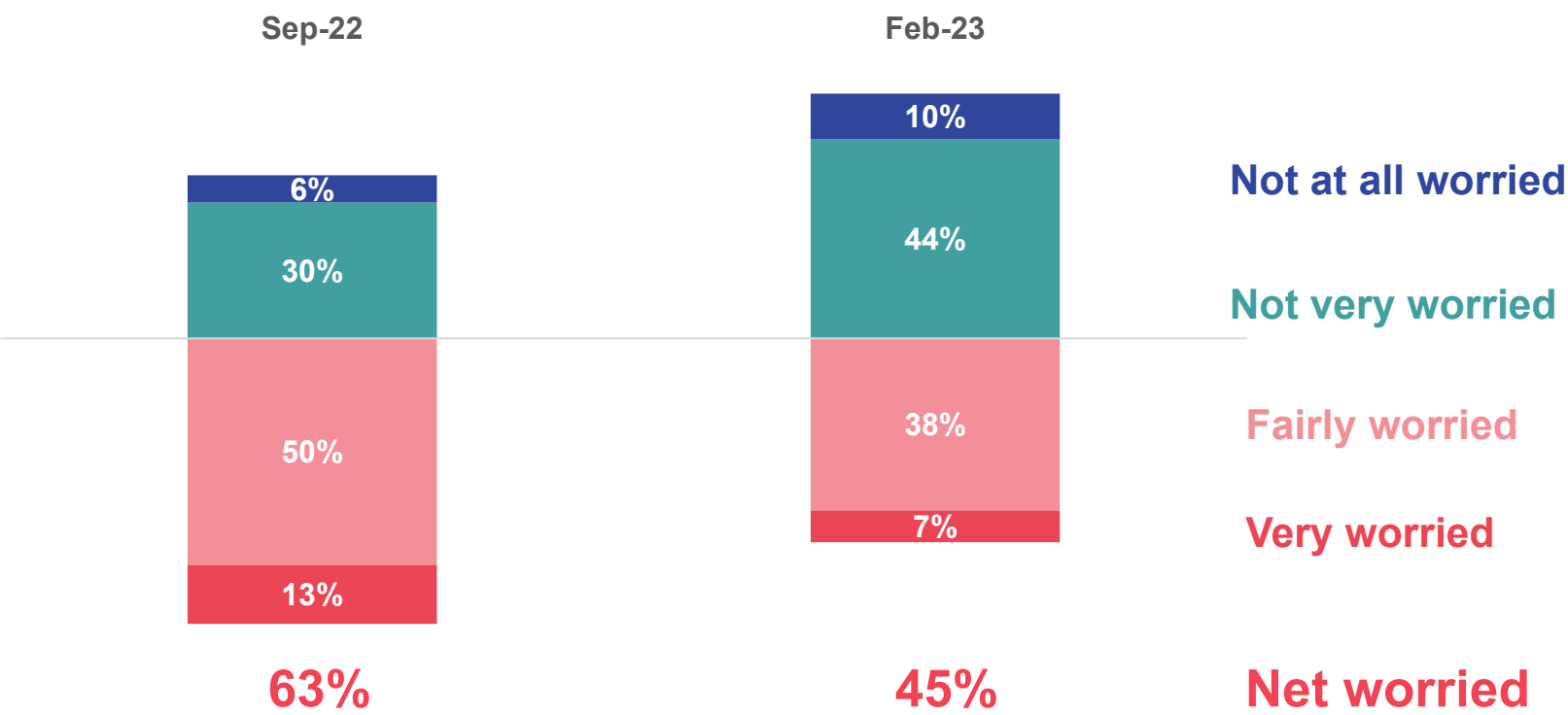


Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 22-28 September 2022, 2-8 February 2023
ECON1. Which of these descriptions comes closest to how you feel about your household's income nowadays?
Base: All adults aged 16+ in UK (February n= 4,162; May n=12,088; September n= 5,983, February 2023 n=6,189)



Compared with September 2022, Britons are significantly less likely to be worried about their household's financial situation

All socio-economic groups are less likely to be worried about their financial situation in February 2023 than they were in September 2022

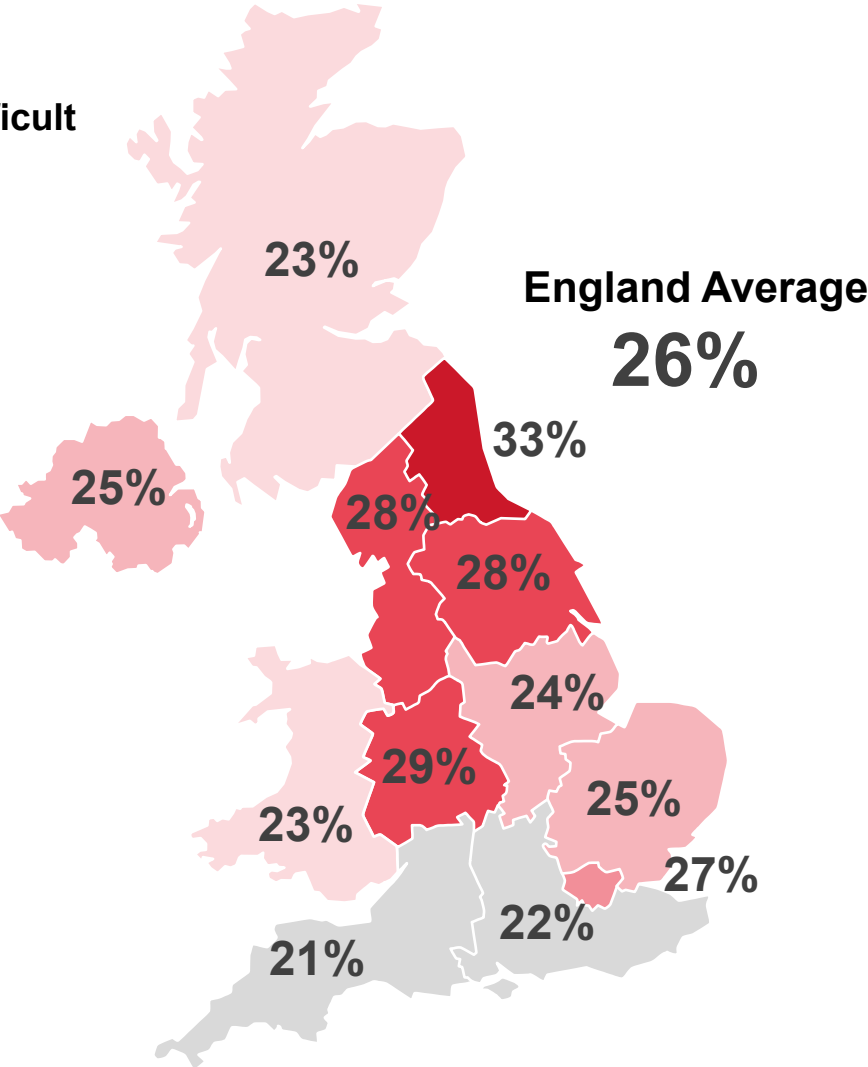


Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 22-28 September 2022, 2-8 February 2023
ECON2. How worried, if at all, are you about you and your household's financial situation?
Base: All adults aged 16+ in UK (September 2022 n= 5,983, February 2023 n=6,189)

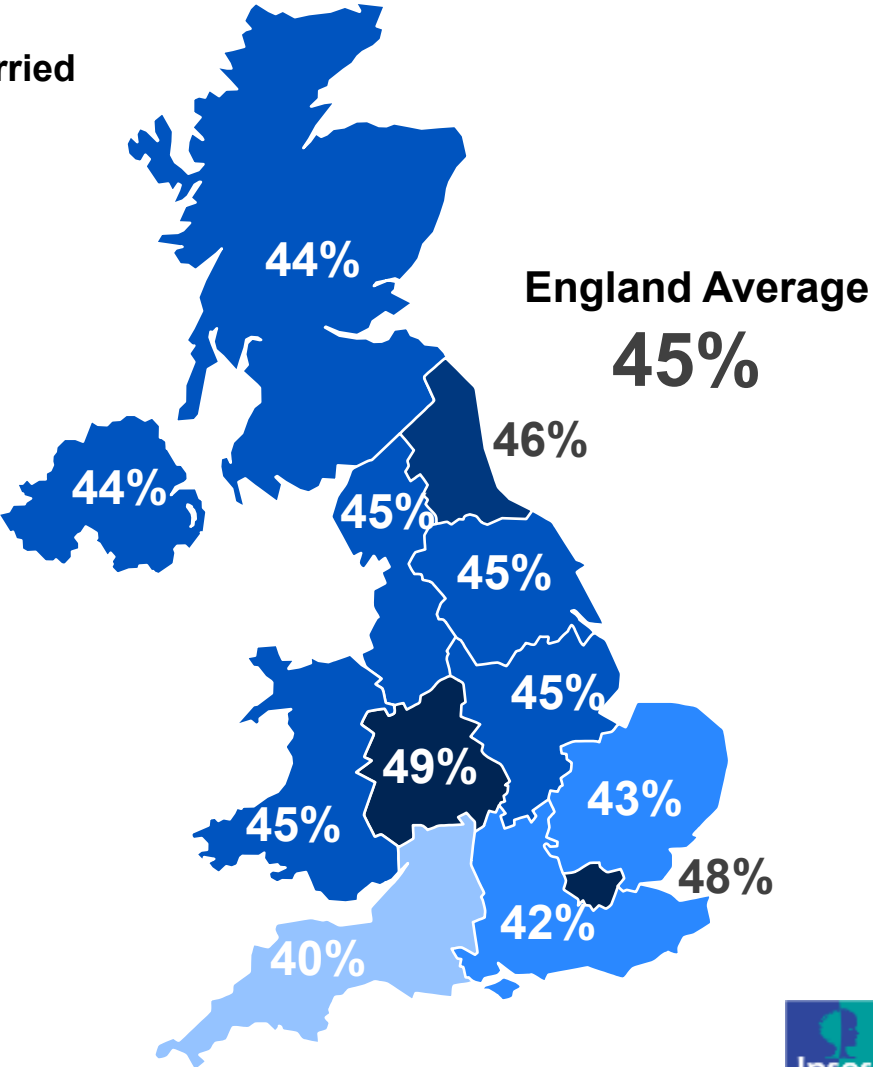


People in the north of England are more likely to say they are finding it difficult on their current incomes, while financial worry tends to be similar across the country, with slightly higher levels in the West Midlands and London

% finding it
difficult/very difficult



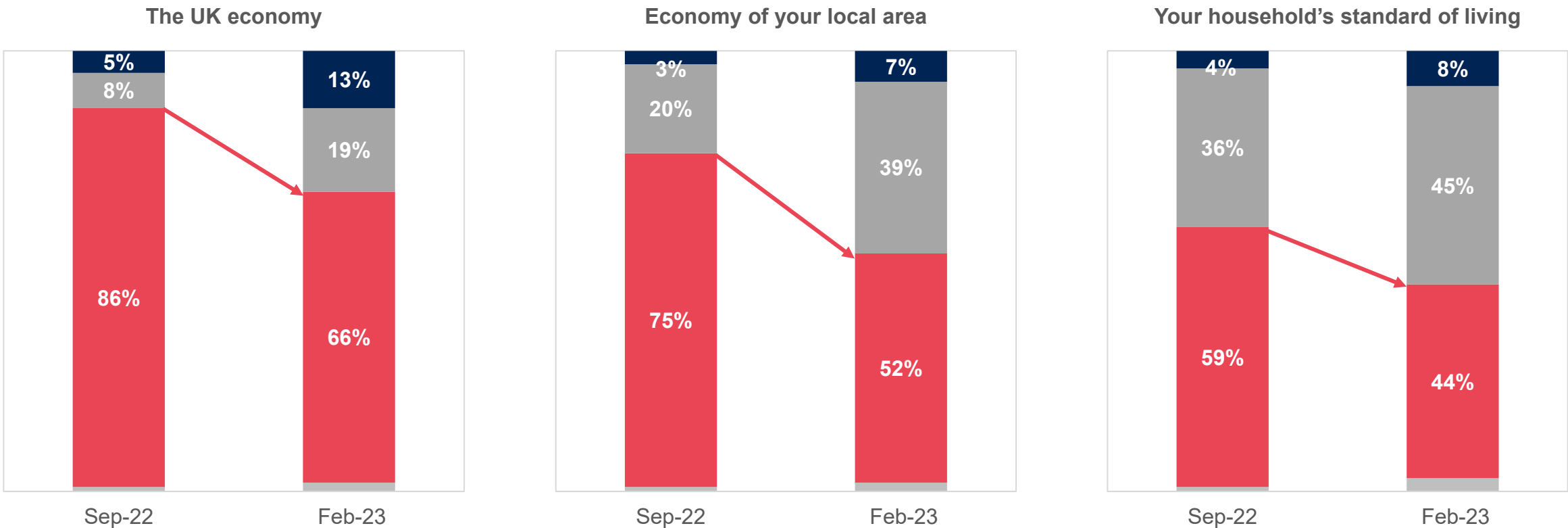
% fairly/very worried



Majorities continue to be pessimistic about the prospects of the UK and local economies, though pessimism has dropped since September 2022

However, the public are split between expecting their own standard of living to get worse and to stay the same, with few expecting an improvement

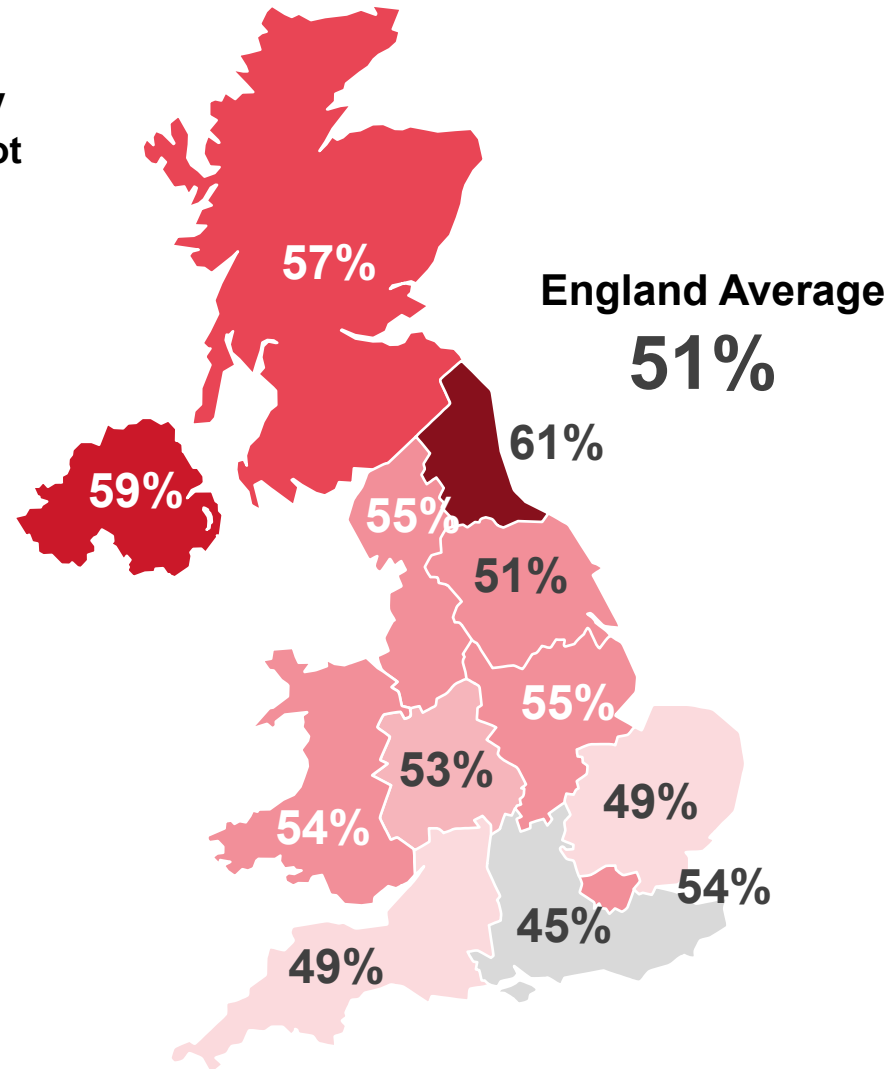
■ % get somewhat/a lot worse ■ % stay the same ■ % improve somewhat/a lot



Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 2-8 February 2023
ECON4A/ECON4B. Do you think that the general economic condition of the UK / general economic condition of your local area / will improve, stay the same, or get worse over the next 12 months?; ECON5. Over the next 12 months, do you think your household's standard of living will improve, stay the same or get worse?
Base: All adults aged 16+ (6,189)

Pessimism about local economies is generally higher in the north of England, London, and the devolved nations

% local area economy
will get somewhat/a lot
worse



While there are still high levels of financial anxiety across the country, overall life satisfaction continues to be stable

10 = Completely satisfied



0 – Not at all satisfied

Feb-22

May-22

Sep-22

Feb-23

Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 22-28 September 2022, 2-8 February 2023

Overall, how satisfied are you with your life nowadays? Please can you give an answer on a scale of '0' to '10' where '0' is 'not at all' and '10' is 'completely'.

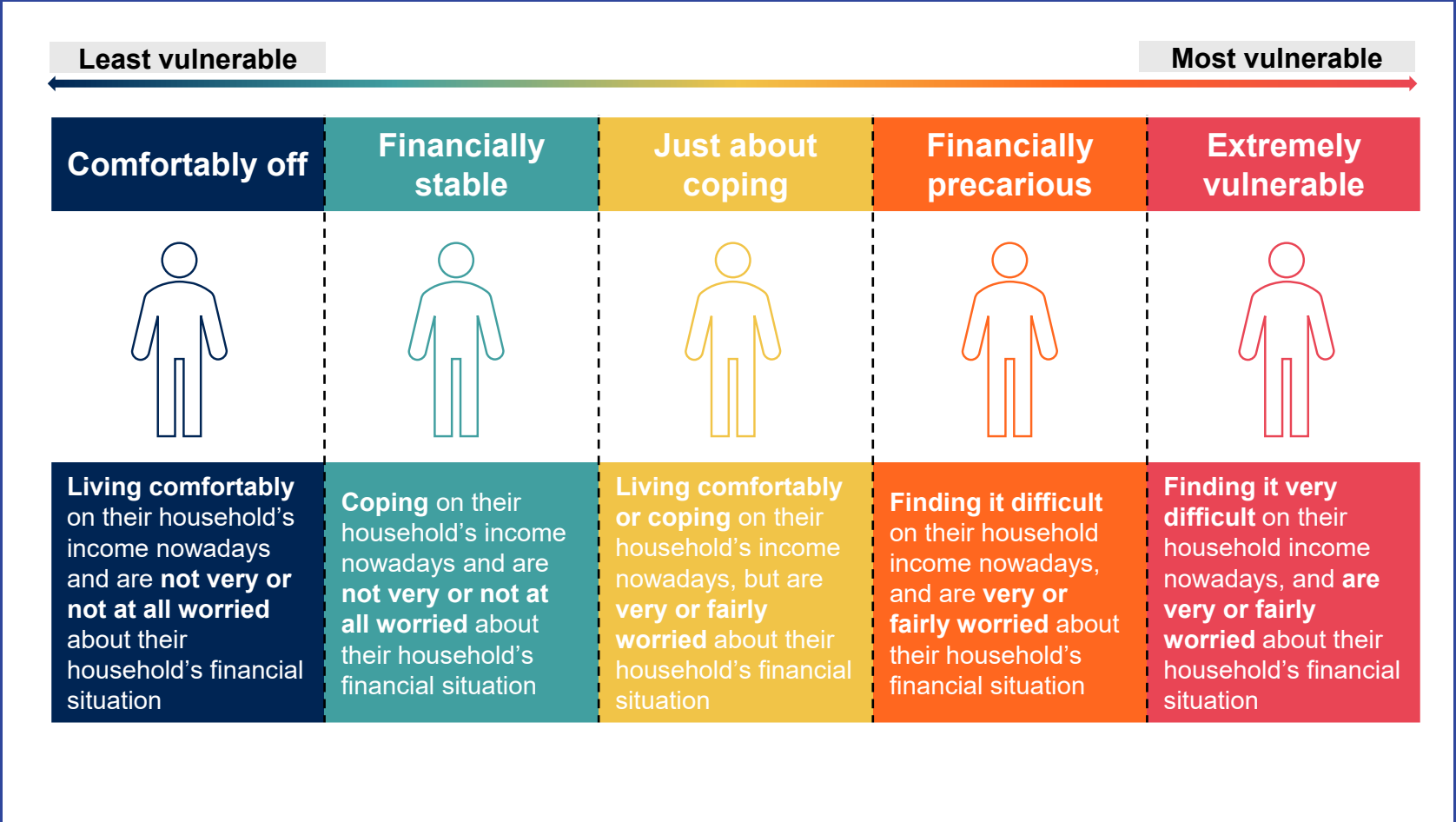
Base: All adults aged 16+ in UK (February 2022 n= 4,162; May 2022 n=12088; September 2022 n= 5,983; February 2023 n= 6,189);

Financial wellbeing means **feeling in control of your finances, today and in the future¹**.

In our research we've identified **five financial conditions** based on people's self-reported financial situation and concerns about their finances

People can move in and out of these conditions as their financial situation and/or their outlook change.

Our Ipsos UK Financial Wellbeing Survey tracks these five groups and looks at the consequences of financial insecurity.



¹ <https://www.gov.uk/government/publications/financial-wellbeing-applying-all-our-health/financial-wellbeing-applying-all-our-health>

Five groups are identified based on their financial situation and outlook

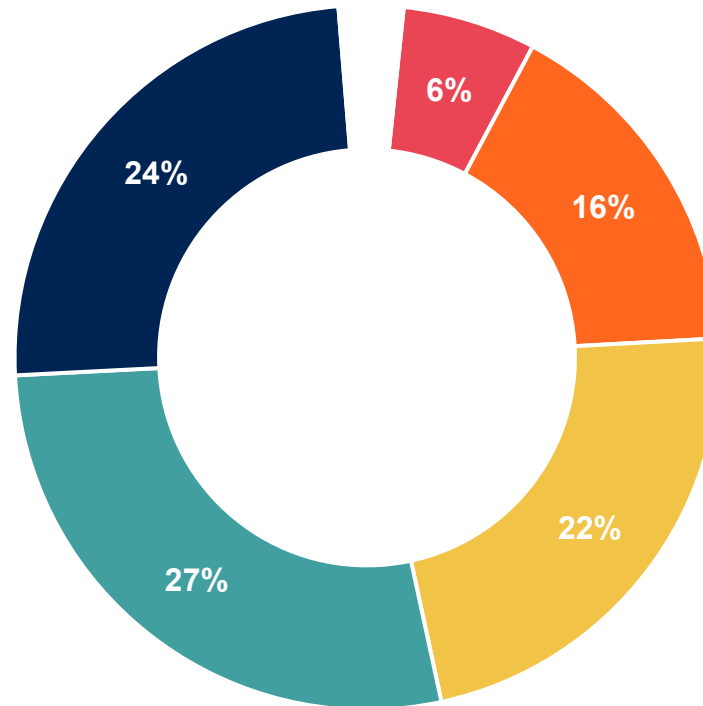
The sociodemographic characteristics, life satisfaction and financial expectations of these groups differ significantly

Comfortably off

Tend to be older than average, owning their homes outright, living in areas described by ONS as Affluent England and Countryside Living.
High levels of life satisfaction, least likely to be pessimistic about the economy and their finances.

Financially stable

Somewhat older than average, owning their homes, more likely to be retired.
High levels of life satisfaction.



Extremely vulnerable

Working age, more likely to be from an ethnic minority background. More likely to be out of work, claiming benefits. More likely to be renting, live in more deprived areas. Very low levels of life satisfaction, very worried about their finances and the most pessimistic about the economy.

Financially precarious

Working age, with children, more likely to be renting, to be in work, and to claim benefits. Live in more deprived areas. Lower levels of life satisfaction, pessimistic about the economy and their own finances.

Just about coping

Similar profile to the general public, more likely to have a mortgage, and be in work.

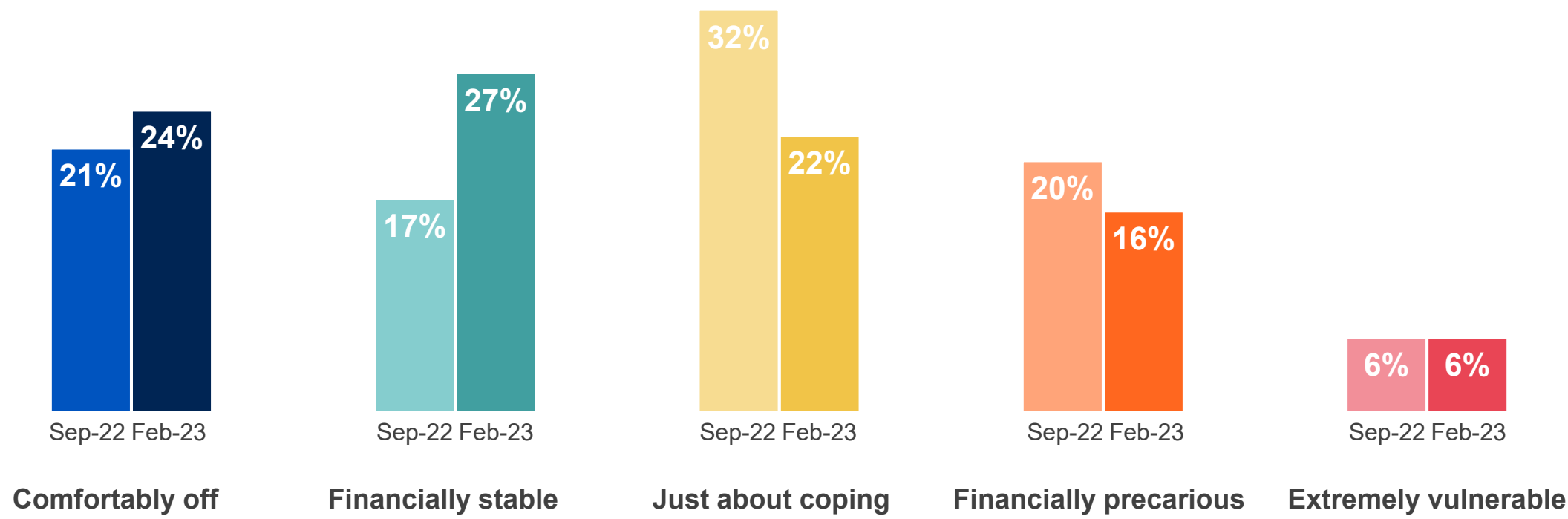
Source: Ipsos UK Financial wellbeing tracker; 2-8 February 2023

ECON1. Which of these descriptions comes closest to how you feel about your household's income nowadays? / ECON2. How worried, if at all, are you about you and your household's financial situation?

Base: All adults aged 16+ (6,189)

Even though financial situations are overall unchanged, fewer Britons are in financially vulnerable groups compared with last September due to financial worries lessening

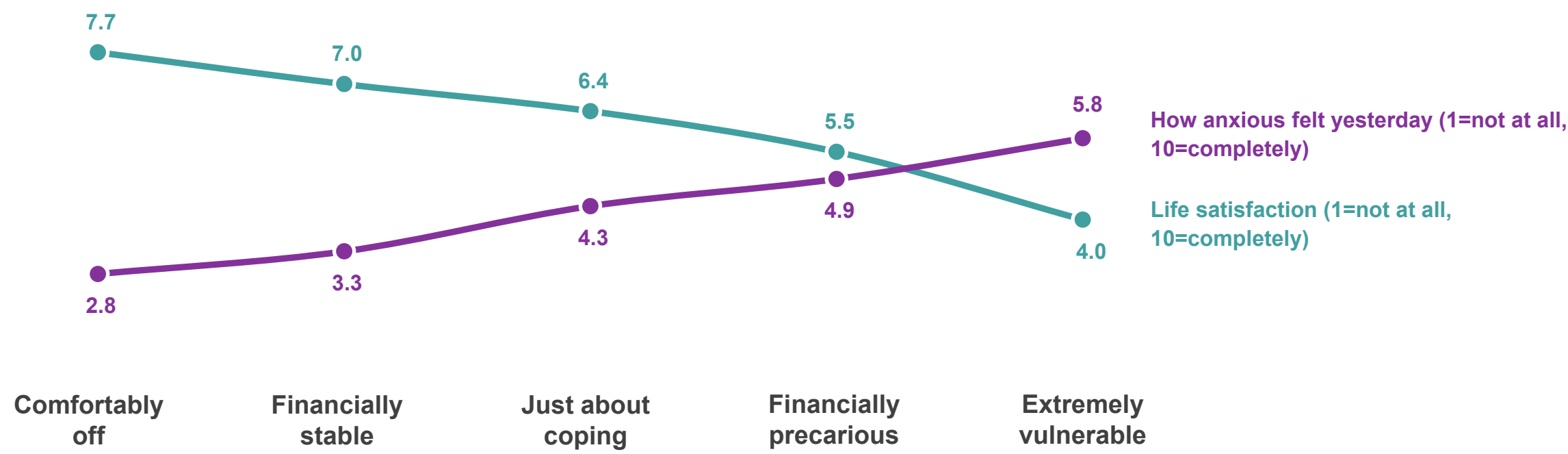
A small but consistent share continue to be extremely vulnerable, finding it very difficult to manage on their incomes and being very worried about their financial situation.



Source: Ipsos UK Financial wellbeing tracker; 2-8 February 2023
ECON1. Which of these descriptions comes closest to how you feel about your household's income nowadays? / ECON2. How worried, if at all, are you about you and your household's financial situation?
Base: All adults aged 16+ (6,189)



Financial insecurity has a big impact on wellbeing: groups that are struggling more report lower levels of life satisfaction and higher levels of anxiety



Source: Ipsos UK Financial wellbeing tracker; 2-8 February 2023
Overall, how satisfied are you with your life nowadays? Overall, how anxious did you feel yesterday? Please can you give an answer on a scale of '0' to '10' where '0' is 'not at all' and '10' is 'completely'.
Base: Comfortably off (1,563); Financially stable (1,782); Just about coping (1,328); Financially precarious (940); Extremely vulnerable (350)



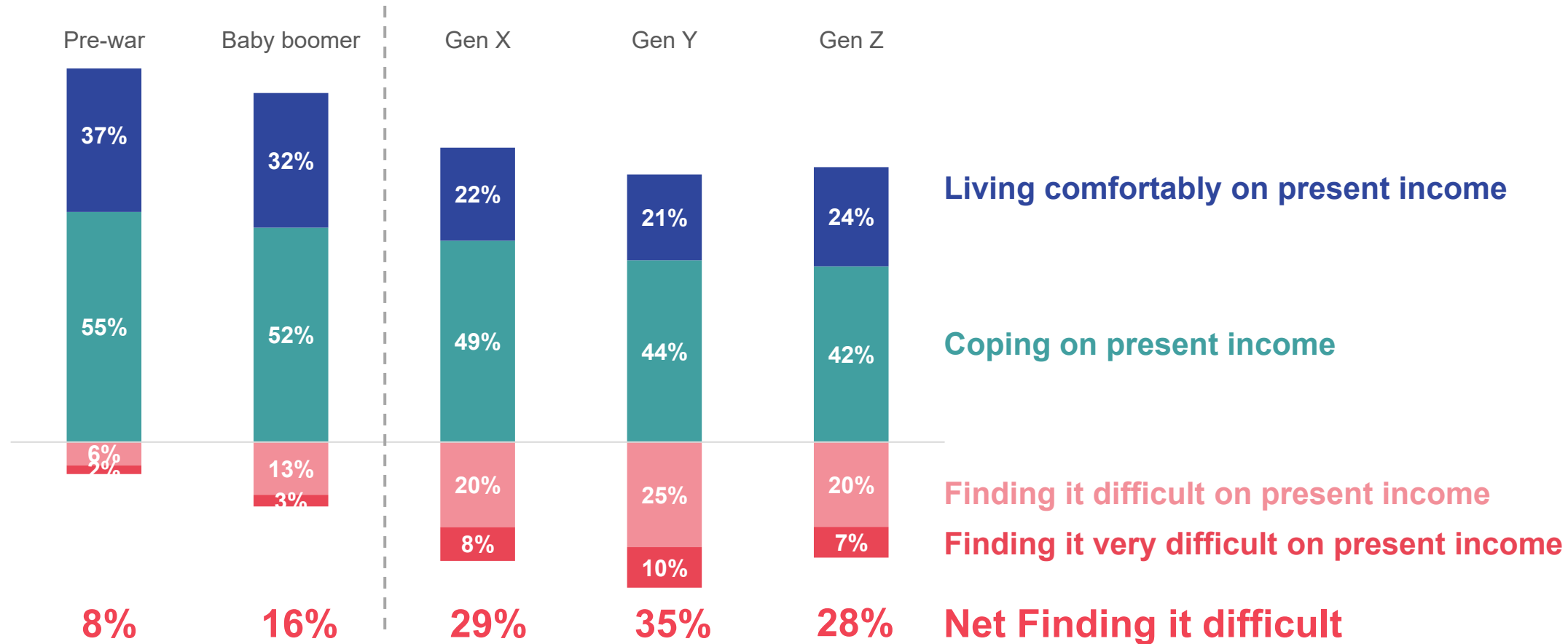
Vulnerable groups are more pessimistic about the economy, as well as their own standard of living



Generational view

We have found a big split between the pre-war generation and baby boomers on one side, and younger generations on the other side in terms of financial situation and outlook.

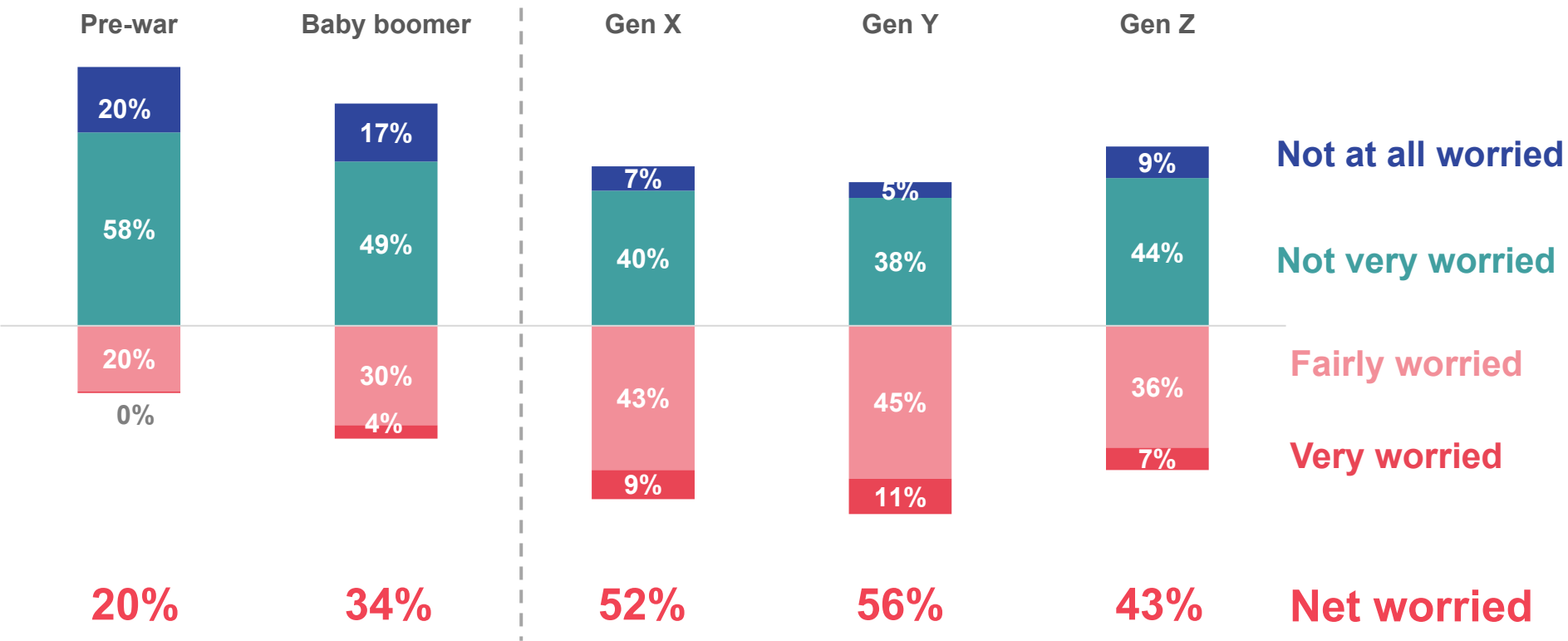
There is a split between the pre-war and baby boomer generations on the one hand and younger generations on the other hand, with Gen X, Gen Z and especially Millennials (Gen Y) more likely to say they are finding things difficult on their incomes



Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 2-8 February 2023
ECON1. Which of these descriptions comes closest to how you feel about your household's income nowadays?
Base: All adults aged 16+ in UK (6,189); Pre-War (328), Baby Boomer (2,730), Gen X (1,599), Gen Y (1,205), Gen Z (327)



Gen X, Millennials (Gen Y) and Gen Z are more likely than older generations to say they are worried about their financial situation



Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 2-8 February 2023
ECON2. How worried, if at all, are you about you and your household's financial situation?
Base: All adults aged 16+ in UK (6,189); Pre-War (328), Baby Boomer (2,730), Gen X (1,599), Gen Y (1,205), Gen Z (327)

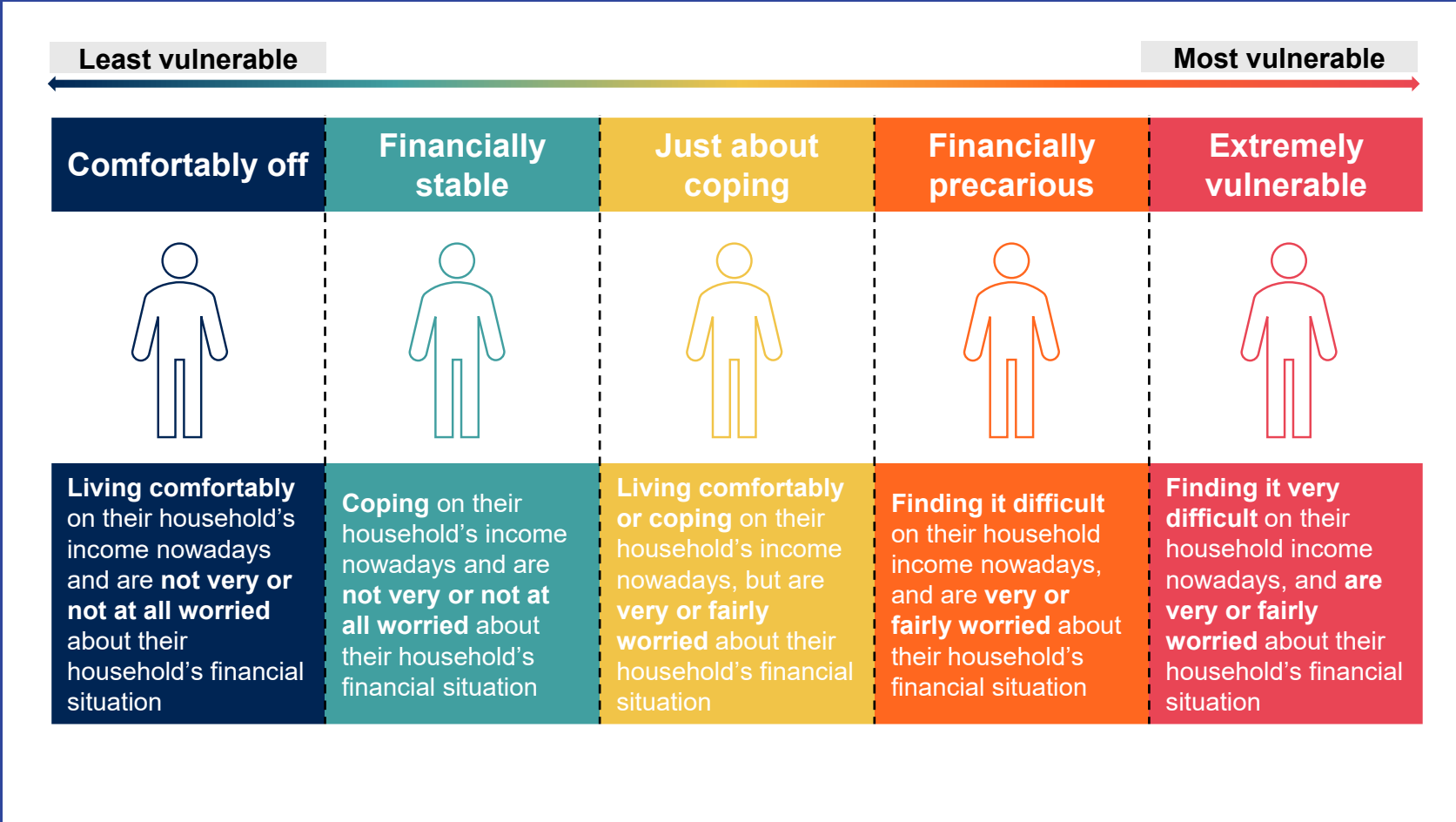


Financial wellbeing means **feeling in control of your finances, today and in the future¹**.

In our research we've identified **five financial conditions** based on people's self-reported financial situation and concerns about their finances

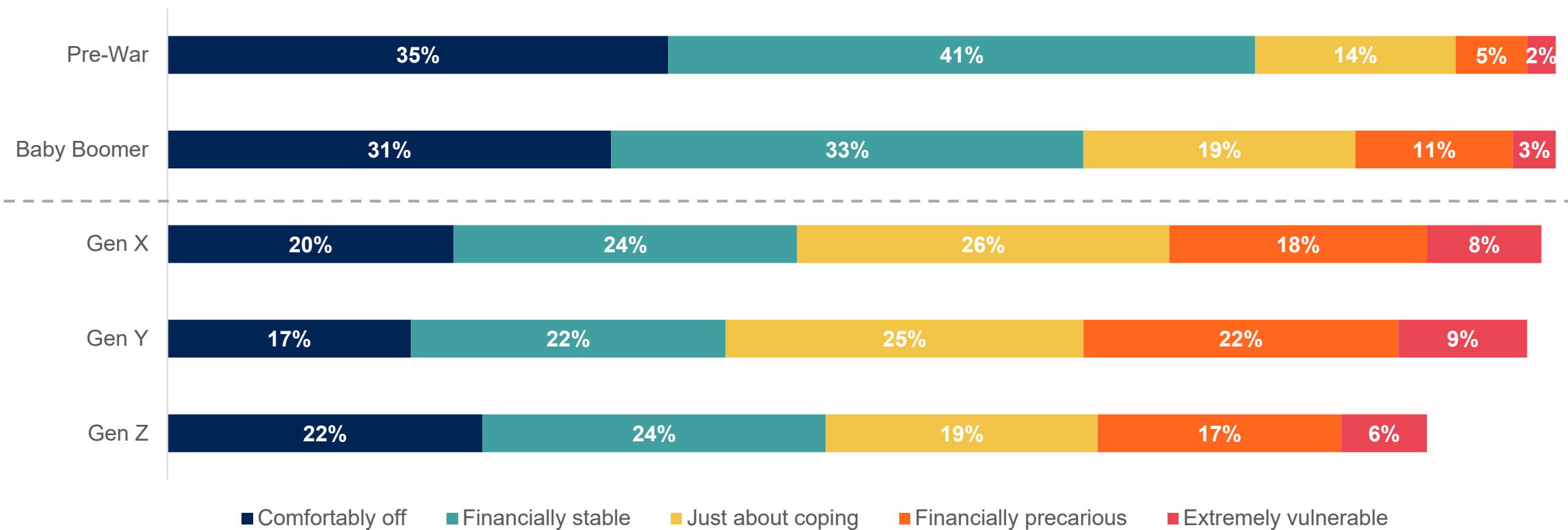
People can move in and out of these conditions as their financial situation and/or their outlook change.

Our Ipsos UK Financial Wellbeing Survey tracks these five groups and looks at the consequences of financial insecurity.



¹ <https://www.gov.uk/government/publications/financial-wellbeing-applying-all-our-health/financial-wellbeing-applying-all-our-health>

A majority of the Pre-War and Baby Boomer generation are comfortably off or financially stable – in contrast, younger generations are more likely to find themselves in more financially vulnerable groups



Source: Ipsos UK Financial wellbeing tracker; 2-8 February 2023
ECON1. Which of these descriptions comes closest to how you feel about your household's income nowadays? / ECON2. How worried, if at all, are you about you and your household's financial situation?
Base: All adults aged 16+ in UK (6,189); Pre-War (328), Baby Boomer (2,730), Gen X (1,599), Gen Y (1,205), Gen Z (327)



As well as higher levels of financial anxiety, younger generations are less satisfied with life and more anxious than the Pre-War and Baby Boomer generations



Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 22-28 September 2022, 2-8 February 2023

Overall, how satisfied are you with your life nowadays? Overall, how anxious did you feel yesterday? Please can you give an answer on a scale of '0' to '10' where '0' is 'not at all' and '10' is 'completely'.

Base: All adults aged 16+ in UK (February 2023 n= 6,189)

Gen X and Millennials (Gen Y) are more likely than older generations to be pessimistic about the economy and their own standard of living. Gen Z buck the trend, showing lower levels of pessimism than their somewhat older counterparts.



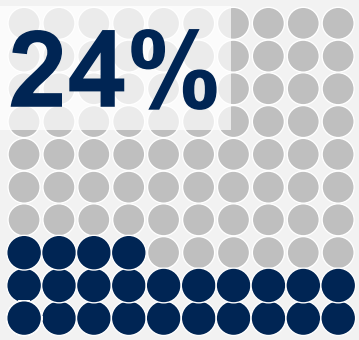
Appendix: Financial groups profiles



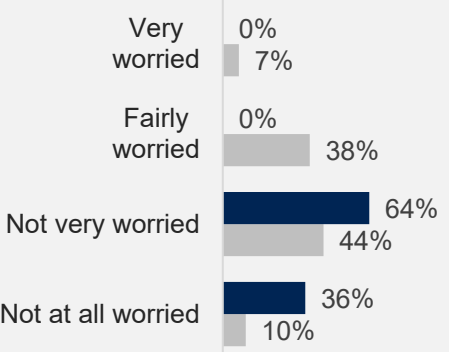
Comfortably off

■ UK population ■ Group: Comfortably off

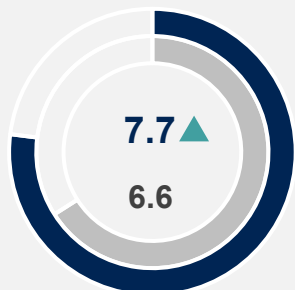
Size of segment



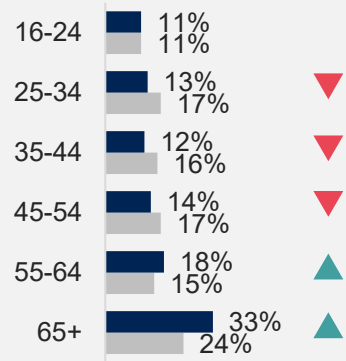
Extent of worry about household financial situation



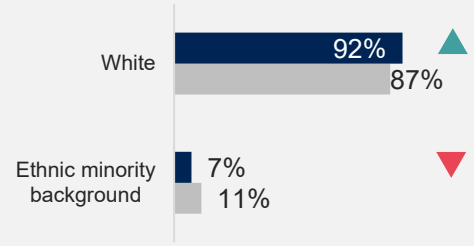
Average life satisfaction



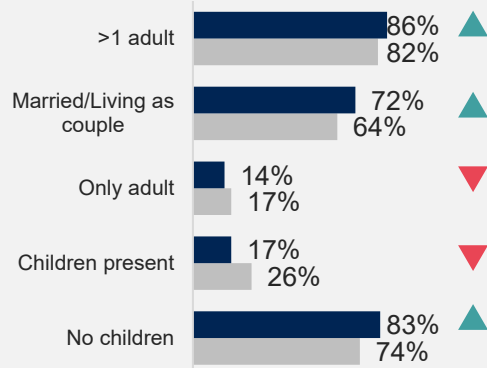
Age



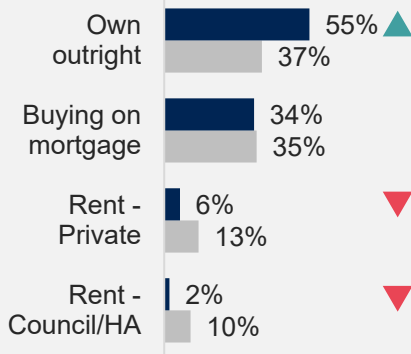
Ethnicity



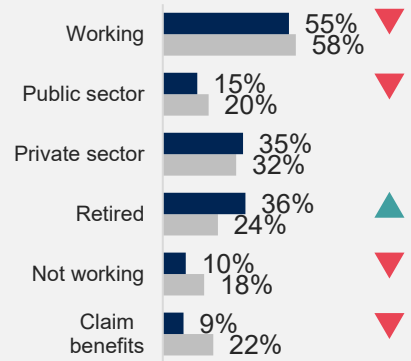
Household composition



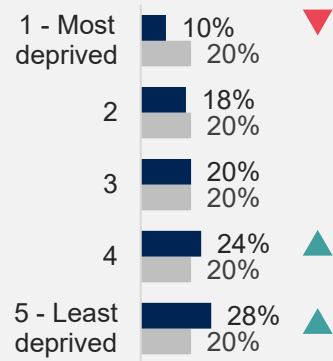
Tenure



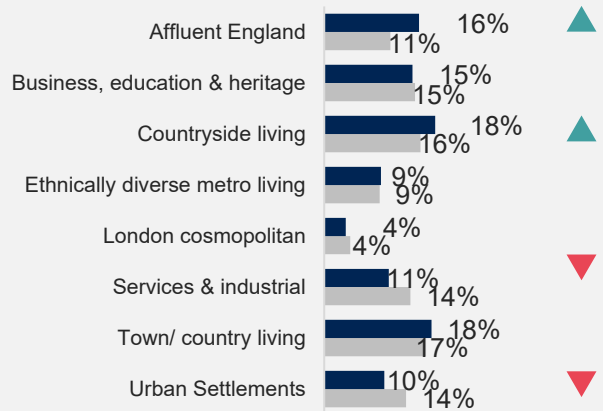
Work and Benefits



IMD Quintile



ONS Supergroup



Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 2-8 February 2023
Base: All comfortably off (1,563)

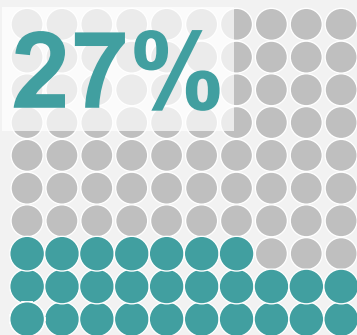
▲ Significantly above overall average
▼ Significantly below overall average



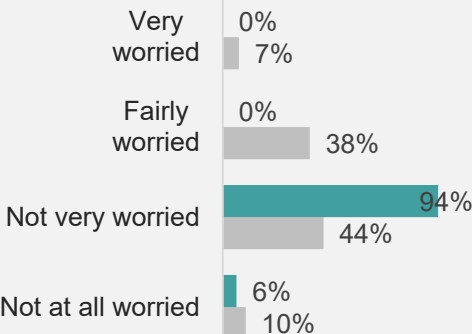
Financially stable

■ UK population ■ Group: Financially stable

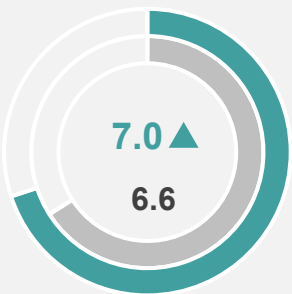
Size of segment



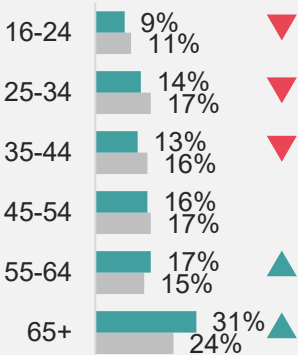
Extent of worry about household financial situation



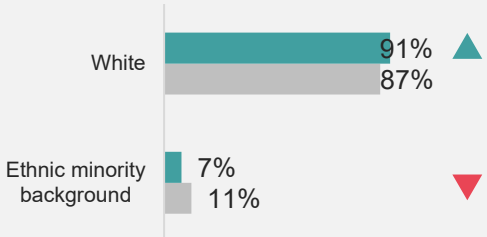
Average life satisfaction



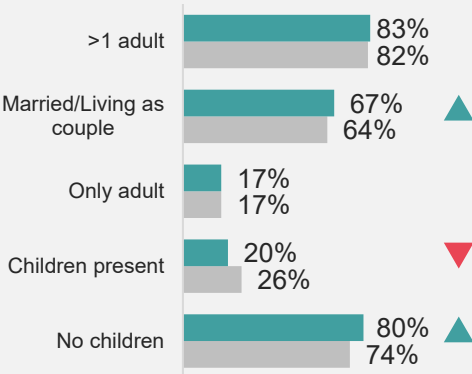
Age



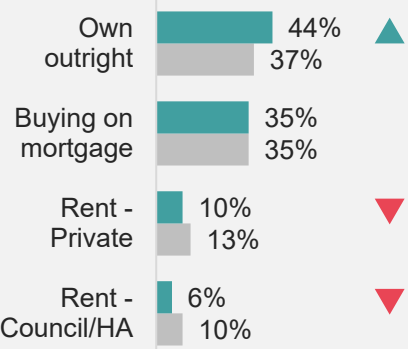
Ethnicity



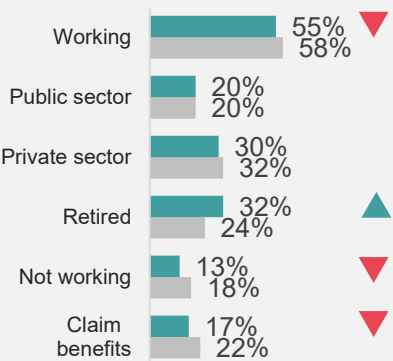
Household composition



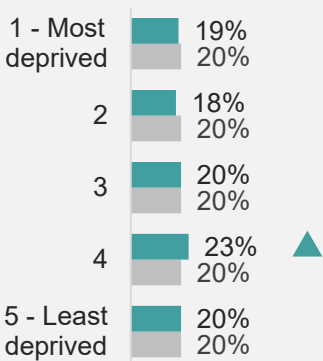
Tenure



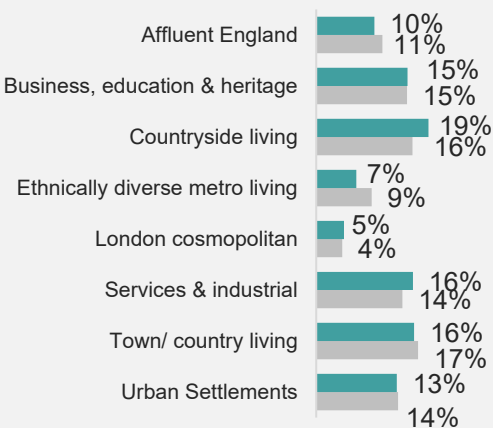
Work and Benefits



IMD Quintile



ONS Supergroup



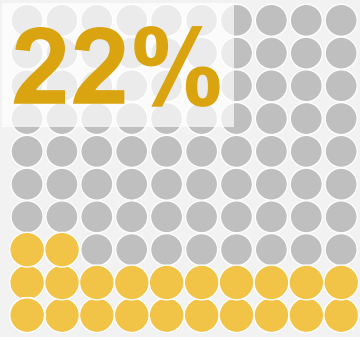
Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 2-8 February 2023
Base: All Financially stable (1,782)

▲ Significantly above overall average
▼ Significantly below overall average

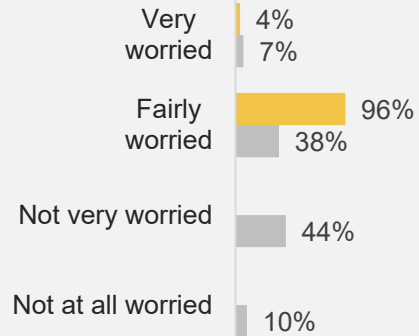
Just about coping

■ UK population ■ Group: Just about coping

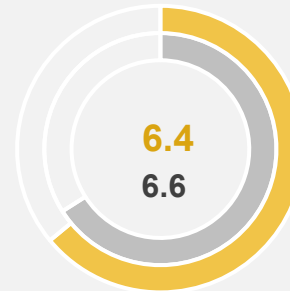
Size of segment



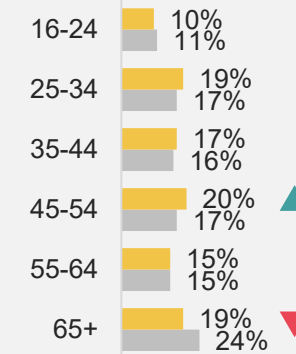
Extent of worry about household financial situation



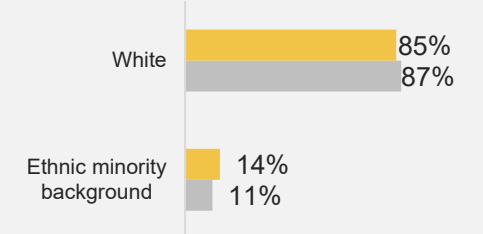
Average life satisfaction



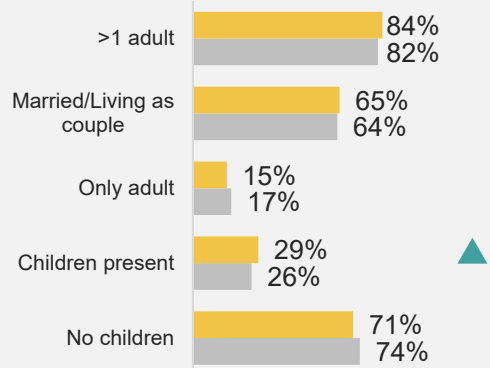
Age



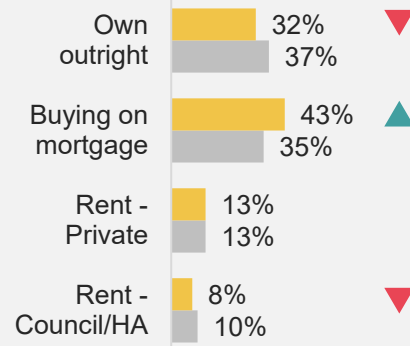
Ethnicity



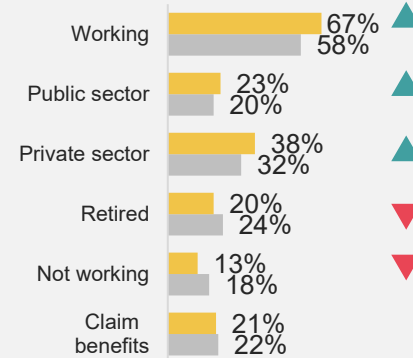
Household composition



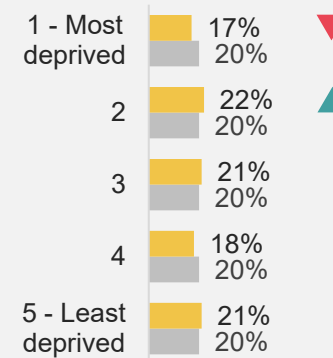
Tenure



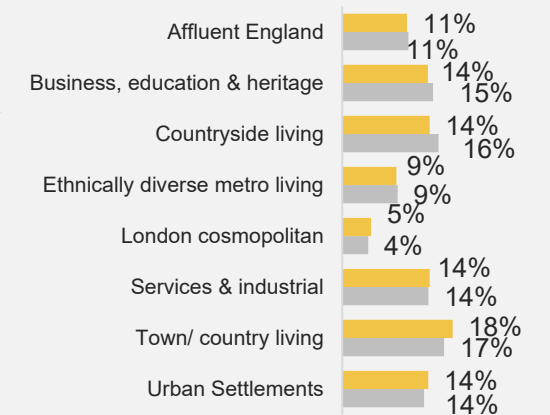
Work and Benefits



IMD Quintile



ONS Supergroup



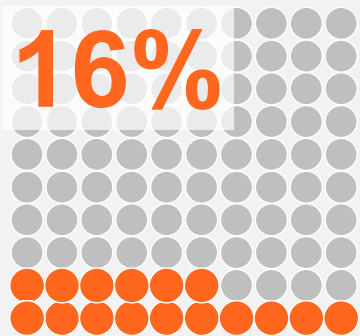
Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 2-8 February 2023
Base: All Just about coping (1,328)

▲ Significantly above overall average
▼ Significantly below overall average

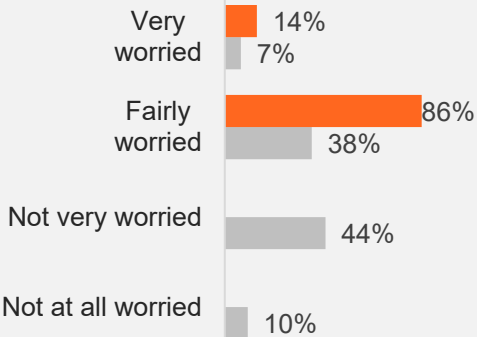
Financially precarious

■ UK population ■ Group: Financially precarious

Size of segment



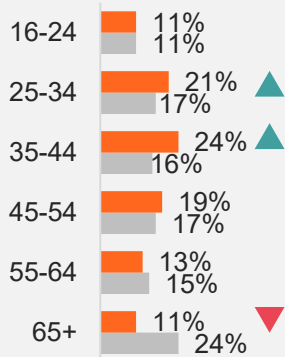
Extent of worry about household financial situation



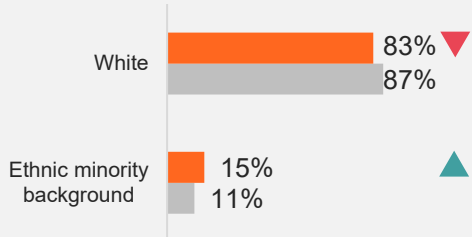
Average life satisfaction



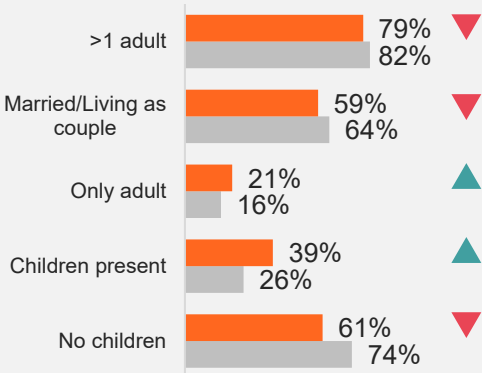
Age



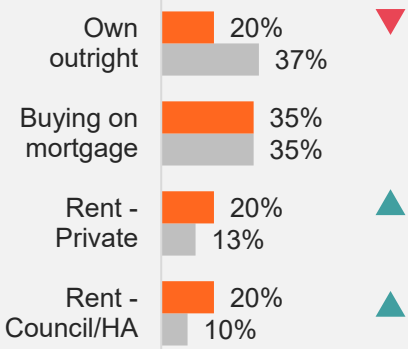
Ethnicity



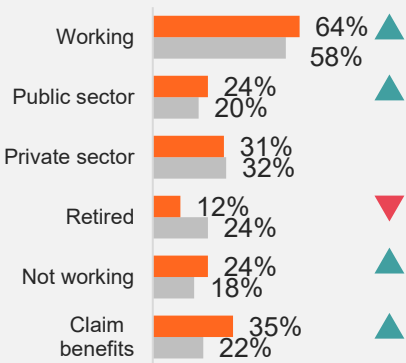
Household composition



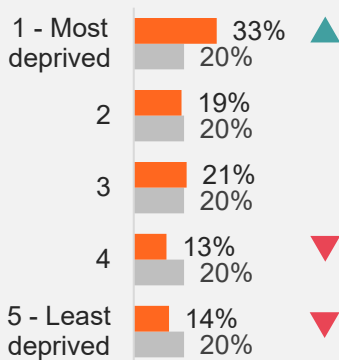
Tenure



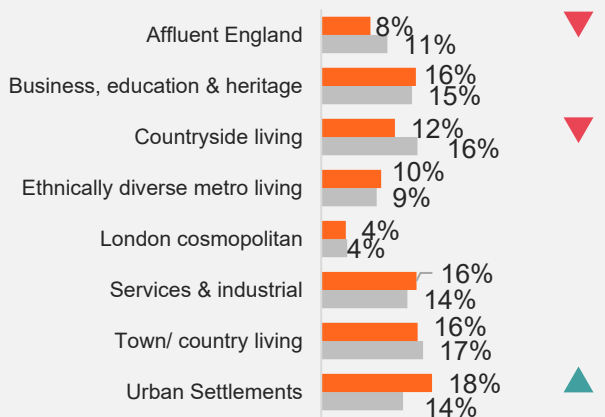
Work and Benefits



IMD Quintile



ONS Supergroup



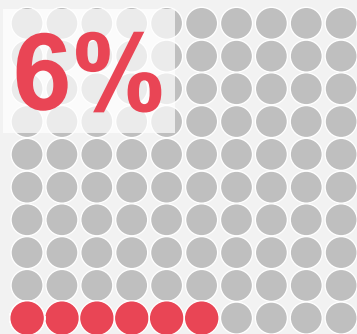
Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 2-8 February 2023
Base: All Financially precarious (940)

▲ Significantly above overall average
▼ Significantly below overall average

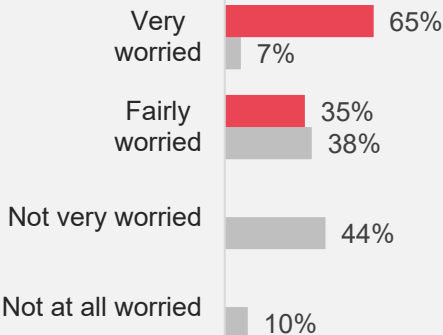
Extremely vulnerable

■ UK population ■ Group: Extremely vulnerable

Size of segment



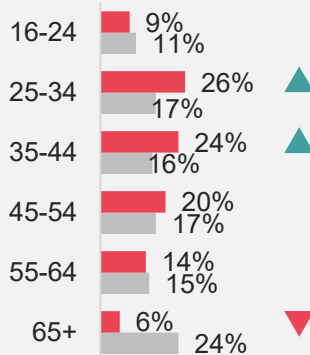
Extent of worry about household financial situation



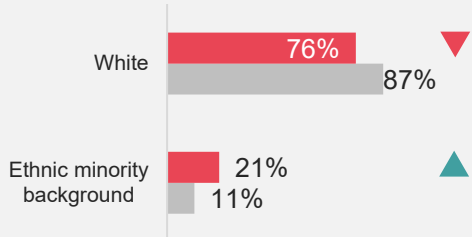
Average life satisfaction



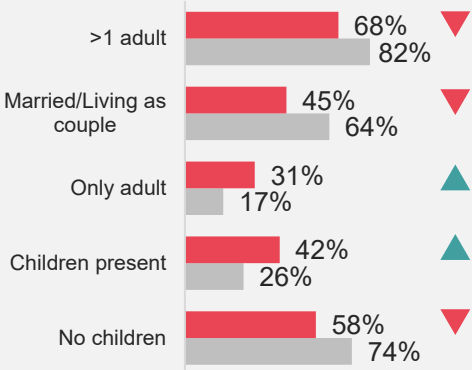
Age



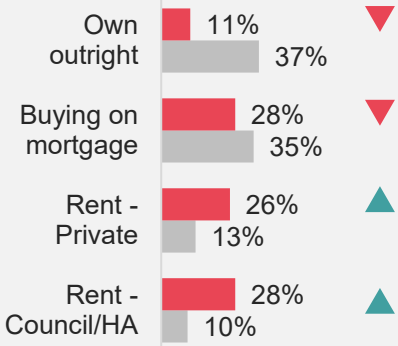
Ethnicity



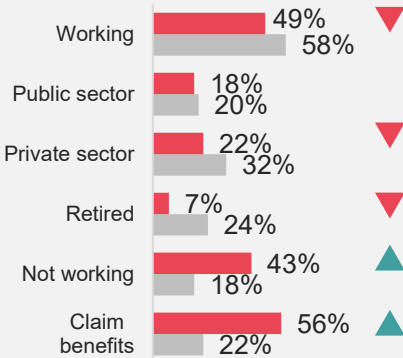
Household composition



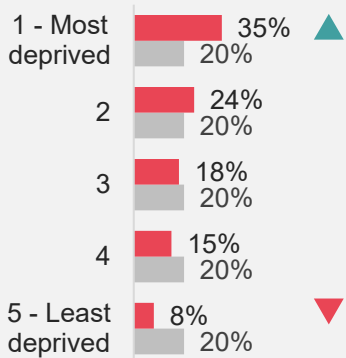
Tenure



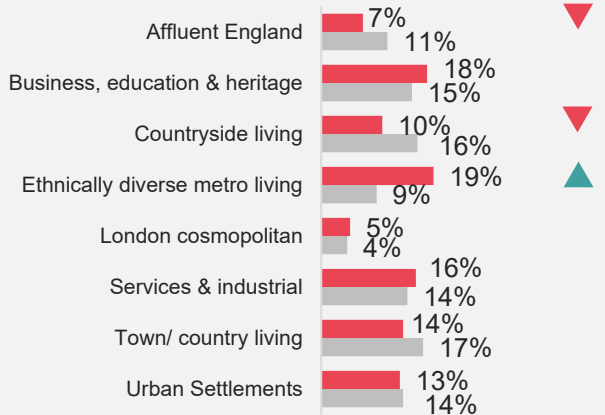
Work and Benefits



IMD Quintile



ONS Supergroup



Source: Ipsos UK Financial wellbeing tracker; Fieldwork: 2-8 February 2023
Base: Extremely vulnerable (350)

▲ Significantly above overall average
▼ Significantly below overall average

Appendix: Technical note



The Ipsos Financial Wellbeing Tracker

Technical Note

- This report presents the findings of the first wave of research for Ipsos UK's Financial Wellbeing Tracker. It is intended to repeat these measurements at regular intervals in the future to track financial and personal wellbeing.
- The first survey was conducted from 22-28 September 2022, the second survey was conducted between 2 – 8 February 2023 using the Ipsos UK KnowledgePanel, a random probability internet-based panel.
- Interviews were conducted online with adults aged 16+ across the United Kingdom. A total of 6,189 participants were interviewed, including 5,177 in England, 510 in Scotland, 259 in Wales and 243 in Northern Ireland. Data were weighted to match the profile of the population.
- Where tracking data is cited, this is taken from the first two waves of Ipsos UK's Levelling Up Index which also featured questions on life satisfaction and household finances. These surveys were also undertaken using the Ipsos UK KnowledgePanel in February 2022, May 2022 and February 2023.

Deprivation

Deprivation

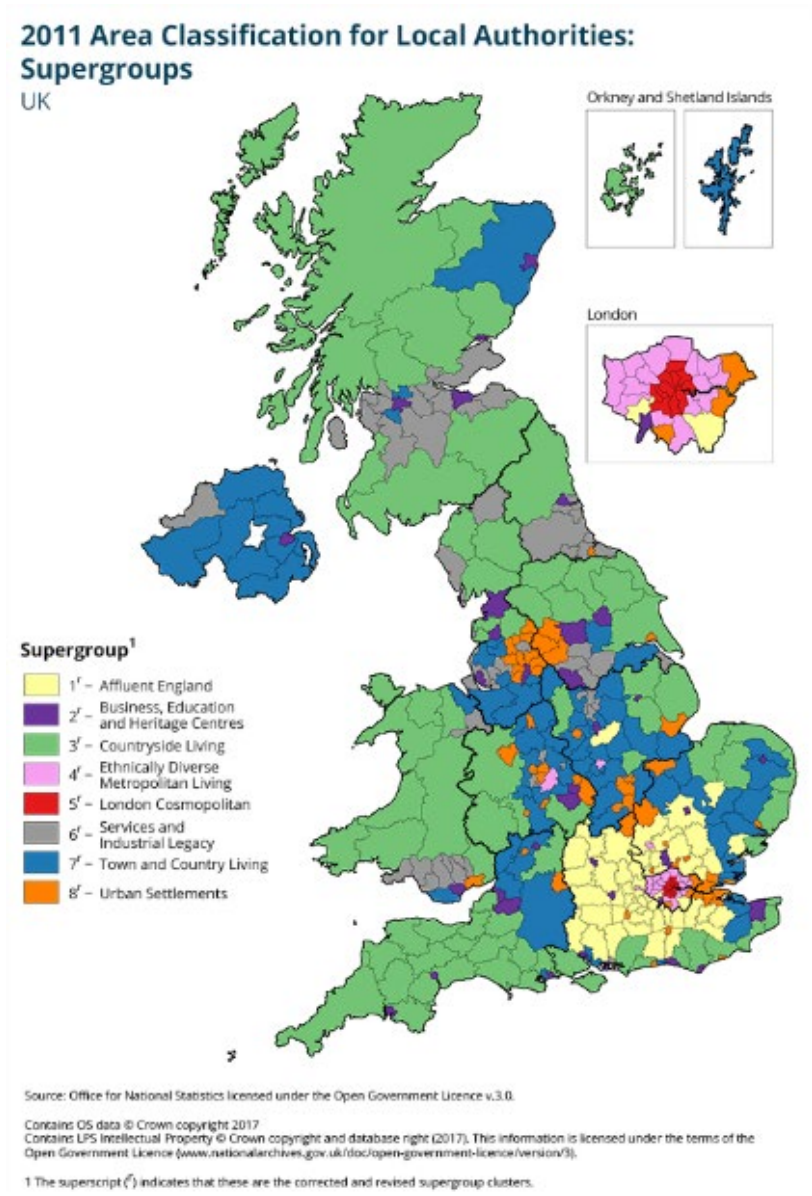
Some of the analysis in this report refers to “most deprived” and “least deprived” groups.

This is based on the ONS mid year population estimates in 2019 Index of Multiple Deprivation (IMD), which classifies all neighbourhoods in the country on the basis of a number of criteria and gives them a deprivation score.

Neighbourhoods are classified into five groups, each having an equal total population, on the basis of this IMD score, from lowest to highest.



ONS Area Classifications	Brief description
Affluent England	Typically live largely in counties in England near to and around London – Buckinghamshire, Hampshire, Hertfordshire, Kent, Oxfordshire and Surrey
Business, education and heritage centres	Live within larger cities throughout the UK, with either country and/or regional importance.
Countryside living	Characterised by living in rural areas with a low population density and a higher median age compared with the UK as a whole.
Ethnically diverse metropolitan living	Tend to live in Inner and Outer London Boroughs. Areas outside London include Birmingham, Leicester, Luton and Slough
London cosmopolitan	Located within 12 Inner London boroughs, characterised by a very high population density and a relatively low median age
Services and industrial Legacy	Predominately in the Central Belt in Scotland, northern England and south Wales – all traditional mining areas.
Town and country living	Represented within all countries of the UK and English regions with the exception of the North East and London. The population density is below the UK as a whole.
Urban settlements	Confined to the nine English regions and Wales (Newport) only. The areas are characterised by a slightly younger age structure than nationally



In this deck some of the data is broken down using the Office for National Statistics Area Classifications – please see the table and map for more details.

Generations

Pre-war: born before 1945	Gen Y/Millennials: born 1980 – 1995
Baby Boomers: born 1945 – 1965	Gen Z: born 1996 – 2012
Gen X: born 1966 – 1979	Gen Alpha: born after 2012?

The consensus view in the UK is that there are six key generations in the adult population, ranging from the eldest 'Pre-War' generation, down to 'Generation Alpha', the temporary label applied to people likely aged under ten at present.

Ipsos definitions are provided here. Different organisations can vary in where precisely they draw the lines:8 Millennials can start a few years earlier or end a few years later, for instance.

But, to get lost in the margins is to miss the wider analytical point that people’s views can differ dependent on the economic, cultural and political environment in which they grew up.



About Ipsos Public Affairs in the UK

We develop and carry out customised research and evaluation for clients in the government and public sector to help them make better, evidence-based decisions.

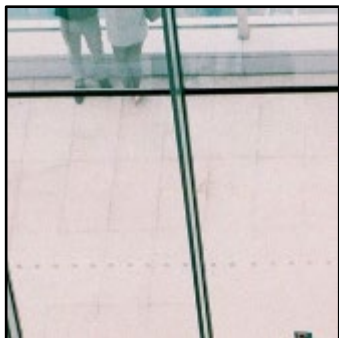
We are a team of more than 300 social research, evaluation and policy experts, each offering expertise in a particular part of the public sector, ensuring we have a detailed understanding of specific sectors and policy challenges.

This, combined with our methodological and communications expertise, ensures that our research makes a difference for decision makers and communities, driving better policy and practice.



Expertise

Evaluation



What works, what doesn't, and why – feasibility, performance, and value for money

Evidently Better



A framework for evidence informed policymaking

Behavioural Science



Understanding behaviours to facilitate effective change

Knowledge Panel



With 20,000 panellists, KP provides unprecedented opportunities for public insight

Ipsos Iris



Online audience measurement - a total understanding on UK online audiences

QREC Centre



Qualitative Research and Engagement Centre - Delivering high quality, impact and ethical research and engagement

Click on each to find out more...

Policy: Key Highlights



Thank you.

Name:

Alex Bogdan

Details:

alex.bogdan@ipsos.com

Name:

Gideon Skinner

Details:

Gideon.Skinner@ipsos.com

Name:

Stuart Smedley

Details:

stuart.smedley@ipsos.com