

1 in 4 British Adults' Mental Health Affected by Personal Finance Concerns

R3 Personal Debt Snapshot

February 2017

British adults say that their personal or household finances are the most likely factor to have a negative impact on their mental health (**24%**), from a list of common causes of stress and anxiety, according to the latest research of over 2,000 adults from the insolvency and restructuring trade body R3. For **6%** of British adults, the finances of other family members who do not live in their household are also deemed to negatively impact on their mental health.

Of the factors looked at, personal or household finances are the leading issue having a negative impact on mental health for all age groups except those aged over 55, who say that personal or family health issues are more likely to have a negative impact on their mental health (**26%**, compared with **13%** for personal or household finances). As well as this, the impact is felt more acutely by women (**27%**) than by men (**20%**), and by those aged 35-44 (**34%**, compared with **30%** or less for other age groups looked at).

The research also found that **41%** of British adults say they are worried about their current level of debt – rising to **54%** among those aged 18-44 – while **40%** of British adults say they often or sometimes struggle to make it to payday.

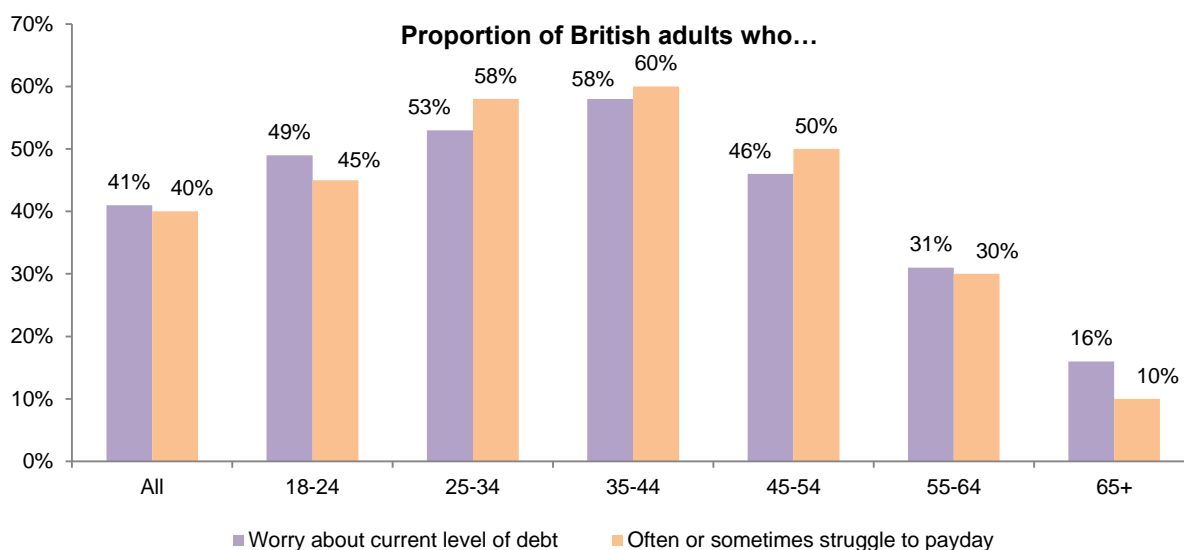
Key Findings

- **24%** of British adults say that their personal or household finances are currently having a negative impact on their mental health.
- **6%** of British adults also say the finances of other family members who do not live in their household are having the same effect.
- Personal or family members' health issues (**23%**), an individual's or family members' job (**16%**), UK or global current events (**15%**), and relationships with family (**13%**) complete the top five.
- British adults aged over 55 say that personal or family health issues are most likely to have a negative impact on their mental health (**26%**, compared with **13%** for personal or household finances).
- The impact of personal or household finances on mental health is felt more acutely by women (**27%**) than by men (**20%**), and by those aged 35-44 (**34%**, compared with **30%** or less for other age groups looked at).
- Two in five (**41%**) British adults say that nothing is currently having a negative impact on their mental health.
- **41%** of British adults say they are worried about their current level of debt – rising to **54%** among those aged 18-44 – and **40%** of British adults say they often or sometimes struggle to make it to payday.

Factors currently having a negative impact on mental health

Concern	All	18-24	25-34	35-44	45-54	55-64	65+
My personal or household finances	24%	25%	29%	34%	30%	22%	7%
My personal or a family member's health	23%	22%	16%	21%	24%	33%	21%
My job or a family member's job	16%	20%	22%	21%	19%	13%	3%
UK or current global events (such as politics, the economy etc.)	15%	19%	19%	16%	11%	17%	12%
My relationships with family	13%	15%	15%	17%	15%	13%	7%
My housing situation	10%	13%	17%	12%	8%	9%	4%
My relationships with friends or non-family members	9%	18%	11%	12%	8%	7%	2%
The finances of a family member who does not live in my household	6%	7%	4%	5%	2%	10%	8%
My education or a family member's education	4%	17%	4%	6%	2%	1%	1%
Non-work-related commitments (such as hobbies, sports etc.)	3%	5%	3%	3%	2%	2%	1%
Childcare	2%	1%	3%	7%	0%	1%	1%
Other	3%	2%	2%	3%	4%	2%	3%
Nothing is currently having a negative impact on my mental health	41%	30%	34%	31%	43%	40%	60%

Proportion of British adults who...



R3 Commentary



Mark Sands, Chair of R3's personal insolvency committee, says: "Whatever else is going on in the world, things much closer to home are most likely to affect people's mental health. No matter how old you are, where you live, or what you do, personal finance concerns – even concerns about others' finances – have a significant impact on your wellbeing.

"Much more needs to be done to ensure that people are informed about what their options are when they encounter financial problems so that they can deal with them without unnecessary stress. Improving financial education and financial capability could have a huge, positive impact on the country's mental health.

"The personal finance landscape is relatively benign at the moment: real wages are still growing and interest rates are low. Yet personal finance concerns still loom large. With inflation set to rise throughout 2017, personal finance pressures are likely to increase.

"The insolvency regime is there to help people with very serious financial problems resolve their debts and the associated stress and start again financially. Unfortunately, there remain unnecessary barriers to people accessing insolvency procedures that could help them. People wishing to enter bankruptcy, for example, face paying £680 in government fees before they can access debt relief. These fees could be paid over the course of a bankruptcy instead."

Mark Sands adds: "The biggest pinch comes for those in the 35-44 age bracket. Many in this age group are still paying off their mortgage, have children to support, and may even be supporting their parents, too. It's no surprise that it's this age group that is most worried about their debts, most likely to struggle to payday, most likely to enter an insolvency procedure, and most likely to say their finances have a negative impact on their mental health."

What causes financial worries?

Mark Sands says: "Financial concerns are endemic for a significant proportion of British adults and come from all different directions. Credit card debt is a common concern for those with debt worries, especially for older age groups: half [49%] of British adults who say they are worried about their current level of debt say they feel that way because of credit card debt.

“Other debts cause people to feel anxious, too. Nearly 1-in-6 [**14%**] people who say they are worried about their current level of debt say they feel that way because of loans from family or friends; 1-in-10 [**10%**] British adults aged 18-44 who say they are worried about their current level of debt say they feel that way because of payday loan debt; and **58%** of 18 to 24 year olds who say they are worried about their current level of debt worry about their student loans.”

Mark adds: “The most likely cause of a struggle to payday is simply paying for basic goods. Over half [**55%**] of British adults who say they often or sometimes struggle to make it to payday say this is the result of the cost of food; this rises to **60%** among those aged over 55. Household energy costs [**42%**] and fuel or transport costs [**38%**] are the next most common reasons mentioned.”

If you would like to meet with Mark to discuss these details, or any other insolvency related issues, please contact R3’s Communications & Public Affairs Assistant, Alex Clarke, on 020 7566 4202 or alex.clarke@r3.org.uk

Method: ComRes interviewed 2,045 British adults online between the 1st and 2nd February 2017. The Data has been weighted to be representative of all British adults by age, gender, region and socio-economic grade. ComRes is a member of the British Polling Council and abides by its rules. Full data tables are available at www.comres.co.uk

About R3: R3 is the trade body for the UK insolvency and restructuring profession. From senior partners at global accountancy and legal firms to practitioners who run their own small and microbusinesses, our members have extensive experience of helping businesses and individuals in financial distress. If you would like any further information about these statistics, please contact R3’s Communications & Public Affairs Assistant, Alex Clarke, on 020 7566 4202 or alex.clarke@r3.org.uk Follow us @R3PressOffice